Human Resources and Employment

Ministry Annual Report

2002 | 2003

Government of Alberta
2001 & 2002 IPAC
Gold Award
for Innovative
Management

Alberta
HUMAN RESOURCES
AND EMPLOYMENT

This report was prepared on behalf of the Ministry by the Department of Alberta Human Resources and Employment in collaboration with the Personnel Administration Office and the Alberta Labour Relations Board.

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Fall 2003

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Preface

PUBLIC ACCOUNTS 2002 – 2003

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 Ministries.

The Annual Report of the Government of Alberta released June 24, 2003 contains the Minister of Finance's accountability statement, the consolidated financial statements of the Province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* Report.

This Annual Report of the Ministry of Human Resources and Employment contains the Minister's accountability statement, the audited financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Ministry annual report also includes:

- The financial statements of entities making up the Ministry,
- Other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as part of financial statements, to the extent that the Ministry has anything to report, and
- Additional information relating to the Department of Alberta Human Resources and Employment, Alberta Labour Relations Board, Personnel Administration Office, and Workers' Compensation Board.

Minister's Accountability Statement

The Ministry's Annual Report for the year ended March 31, 2003, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 19, 2003, with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Clint Dunford

Clint Dunford, MLA
Minister of Human Resources and Employment

September 2003

Message from the Minister

As Minister of Human Resources and Employment (HRE), I oversee the Department of Alberta Human Resources and Employment (AHRE), the Personnel Administration Office (PAO), the Alberta Labour Relations Board (ALRB), and the Appeals Commission for Alberta Workers' Compensation (AC), and have legislative responsibility for the Workers' Compensation Board (WCB).

Alberta Human Resources and Employment (AHRE) staff deliver programs that make the lives of Albertans better. We continually help Albertans find and keep work, and we endeavour to make workplaces safer with the Work Safe Alberta initiative.

Work Safe Alberta is one of our most important achievements this past year, and one that I am especially proud of. Our goal is for employers to reduce their lost-time claim rate to 2.0 by 2004, or a 40% reduction in their workplace incidents. This will mean 15,000 fewer injured workers each year – a savings to employers of $190 million in WCB claims costs.

Work Safe Alberta encompasses a number of strategies. Work has begun to:

- hire additional safety officers across the province
- encourage employers to join safety associations
- promote workplace safety awareness through a print and television advertising campaign
- expand the Workplace Health and Safety Web site and link it to other safety sites
- create a mentorship program where employers with excellent safety programs will help problem employers to improve

The *Occupational Health and Safety (OHS) Amendment Act* was amended in December 2002 to:

- increase the maximum fine for an OHS conviction to $500,000
- allow for adopting administrative fines similar to those used for traffic violations
- enable the names of employers with the best and worst safety performance to be published
- extend the length of time in which the department has to begin a prosecution to two years
- allow judges to award penalties other than fines or incarceration for OHS offences, such as providing safety or education programs to whomever the judge directs, such as employees or the public

While we have taken steps to strengthen legislation and increase enforcement, our approach has not changed – we educate first, then enforce. Our campaign, Choose Safe not Sorry, (part of Work Safe Alberta), is designed to create awareness. We are also looking at an initiative where companies with good safety records will mentor companies with safety records that need to be improved.

I was hosted by the government of New South Wales, Australia to share our Work Safe Alberta initiative at their Workplace Safety Summit 2002 in Bathurst. We have been able to incorporate some of their innovative ideas into our program.

Another focus is providing a helping hand to those most in need and also acting on the recommendations of the MLA's Committee to Review Low-Income Programs.

For example, the *Income and Employment Supports Act* was introduced and builds on our belief that social programs must offer a hand up, not a handout while providing longer-term assistance to those who are unable to work. The legislation builds on the work we have already done to better help people prepare for, find, and keep jobs and links income supports with skills training.

We concentrated on people and their individual needs by integrating three income support programs – Supports for Independence, Widows' Pension and Skills Development Program Living Allowances. This approach will put building blocks in place and tailor supports directly to what people need to become as independent as possible and join the workforce.

We expanded the Adult Health Benefit (AHB) to ensure parents continue to receive health benefits, when they leave SFI and AISH programs for employment. By extending the AHB to parents who leave government support for work, we have eliminated a potential barrier to employment and helped them retain their medical cards while working.

In addition, we increased the parental income levels for the Alberta Child Health Benefit (ACHB). This action, combined with promoting the program with community agencies, will help many more children gain access to free health benefits.

We increased access to short-term and part-time skills training for clients and low-income Albertans, enabling them to "learn while you earn". To keep the Skills Development Program (SDP) program sustainable and still cover students' living expenses, we introduced a maximum amount for exceptional expenses under the living allowances.

We can now take our resources directly to Albertans in rural communities that do not have access to Labour Market Information Centres (LMIC). I commend the staff at the AHRE Slave Lake-High Prairie office, and staff and trainees at the Northwest Alberta Job Corps for developing Careers in Motion, a motor home stocked with written materials, computers and access to the Internet.

During Canada Career Week, many of AHRE's offices throughout the province host career related events. These included speaker's forums, workshops and career fairs that provided helpful information to people new to the workforce, parents helping their children make career decisions, and people considering a career change.

Under our Workplace Investments area, our mediation people offered services to unions and their employers in resolving disputes. The number of mediation appointments decreased to 114 last year, a reduction of 28.3% cases. Alberta enjoys a healthy, positive working relationship with unions and employers in this province – a part of the Alberta Advantage.

The Personnel Administration Office (PAO) continued to build a strong public service:

- we developed strong and capable leaders through the Corporate Executive Development program
- we encouraged the use of the Ambassador program to market the public service at career fairs
- we provided over 600 internship, co-op and work experience placements for students and recent graduates, exposing new talent to the public service
- we introduced security screening to help ensure diligence in our recruitment practices when filling positions responsible for the stewardship of government resources

The Alberta Labour Relations Board (ALRB) administers, interprets and enforces Alberta's collective bargaining laws in an impartial, knowledgeable, efficient, timely and consistent way.

The ALRB continues to meet the labour relations needs of Albertans, both in the public and the private sector, by focusing on the timeliness and quality of its processes. This includes shortening the time it takes to get a hearing and settling 57% of those applications scheduled for a hearing.

Under the *Workers' Compensation Act* in 2002, the Appeals Commission for Alberta Workers' Compensation became a completely independent entity from the WCB and reports to me. The Commission hears appeals from decisions of the review bodies of the WCB that are being questioned by the employee or employer. The independence of the Appeals Commission is important in ensuring a more open, transparent and accountable appeal system.

Amendments made to the *Workers' Compensation Act* in 2002 make the workers' compensation system more open and accountable with both the WCB and the Appeals Commission hosting annual general meetings with stakeholders. In addition, the WCB will be convening a new medical panel process for resolving medical disputes on claim files, and the auditor general will audit WCB's financial statements and performance measures.

To support Work Safe Alberta, the WCB increased its annual transfer of funds to OHS by $3.3 million to $9.6 million. Government is targeting a 40% reduction in the lost-time claim rate, which will result in a savings of $190 million in WCB claim costs and lower premiums for Alberta employers. Safety has become the new bottom line. Alberta's employers continue to have the second lowest WCB premium rates among the provinces in Canada.

I am proud of the goals we have achieved at AHRE. Together, we have made the workplace a safer, fairer environment and we have introduced initiatives to allow people to become more independent by offering health incentives and training. As Minister responsible for the Personnel Administration Office (PAO), I am pleased to thank all employees of the Alberta public service for their ongoing commitment to excellence in serving Albertans.

There have been challenges; we have addressed them and will continue to do so because the needs of Albertans will always come first.

Clint Dunford

Clint Dunford
Minister

Management's Responsibility for Reporting

The Executive of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the Executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the Ministry rests with the Minister of Human Resources and Employment. Under the direction of the Minister, we oversee the preparation of the Ministry's annual report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister* and the Public Service Commissioner*, in addition to program responsibilities, we establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control, which give consideration to costs, benefits, and risks that are designed to:

- Provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money,
- Provide information to manage and report on performance,
- Safeguard the assets and properties of the Province under Ministry administration,
- Provide Executive Council, Treasury Board, the Minister of Finance, and the Minister of Human Resources and Employment any information needed to fulfil their responsibilities, and
- Facilitate preparation of the overall Ministry business plan and annual reports required under the *Government Accountability Act*.

In fulfilling our responsibilities for the Ministry, we have relied, as necessary, on the Executives of the individual entities within the Ministry.

Shelley Ewart-Johnson

Shelley Ewart-Johnson
Deputy Minister
Alberta Human Resources
and Employment

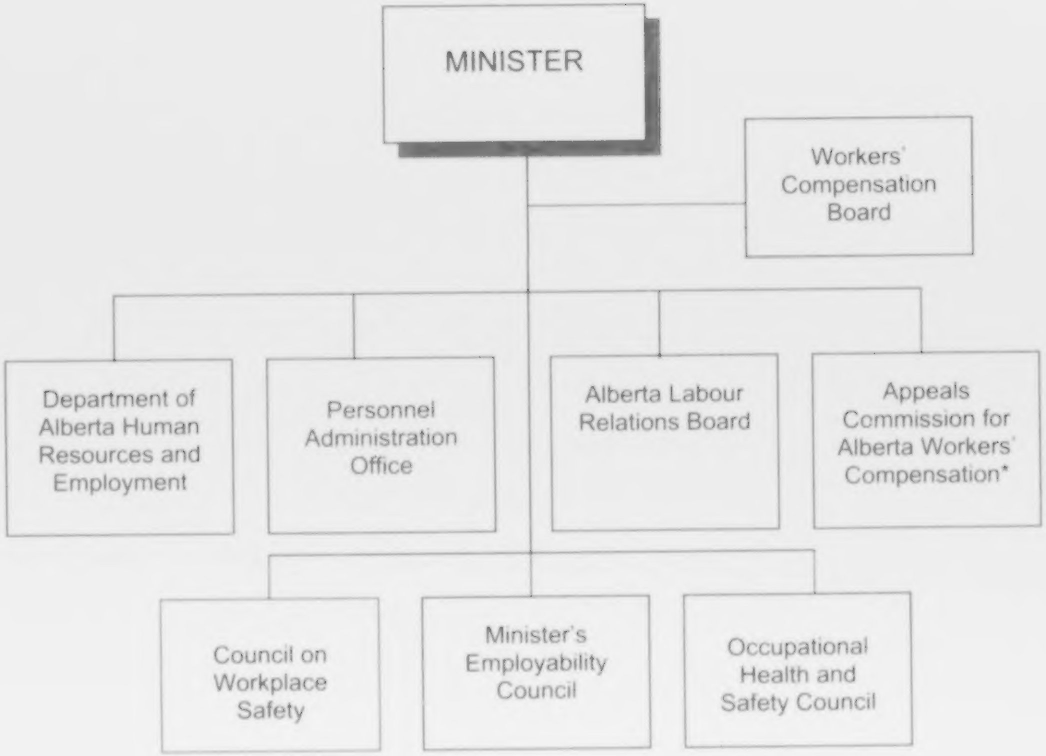
Shirley Howe

Shirley Howe
Public Service Commissioner
Personnel Administration Office

* As per the *Financial Administration Act*, the Deputy Minister of Alberta Human Resources and Employment, and the Public Service Commissioner of the Personnel Administration Office, co-sign the Management's Responsibility for reporting for the Ministry Annual Report.

Organizational Charts

Ministry of Human Resources and Employment


MINISTER
Workers' Compensation Board
Department of Alberta Human Resources and Employment
Personnel Administration Office
Alberta Labour Relations Board
Appeals Commission for Alberta Workers' Compensation*
Council on Workplace Safety
Minister's Employability Council
Occupational Health and Safety Council

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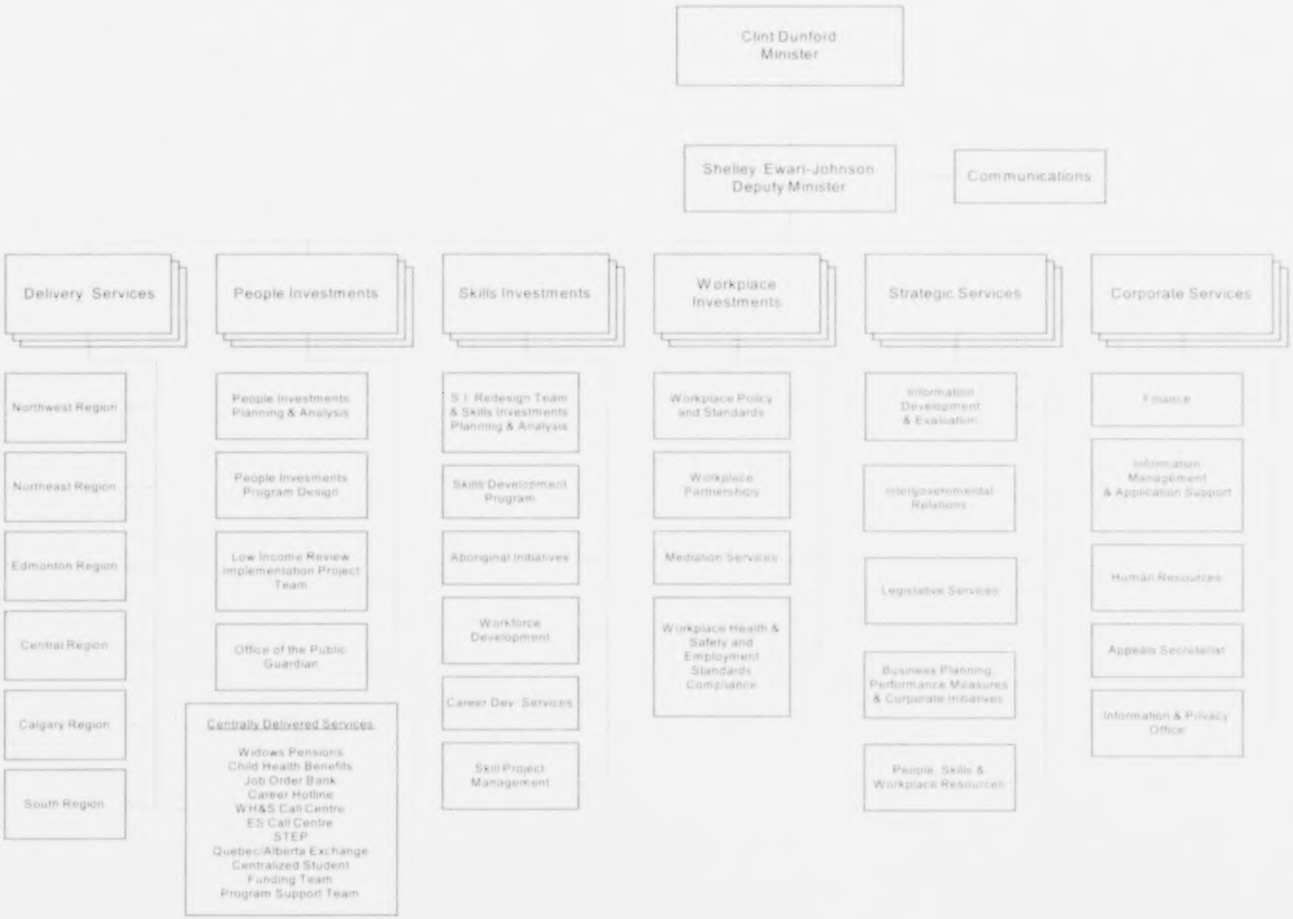
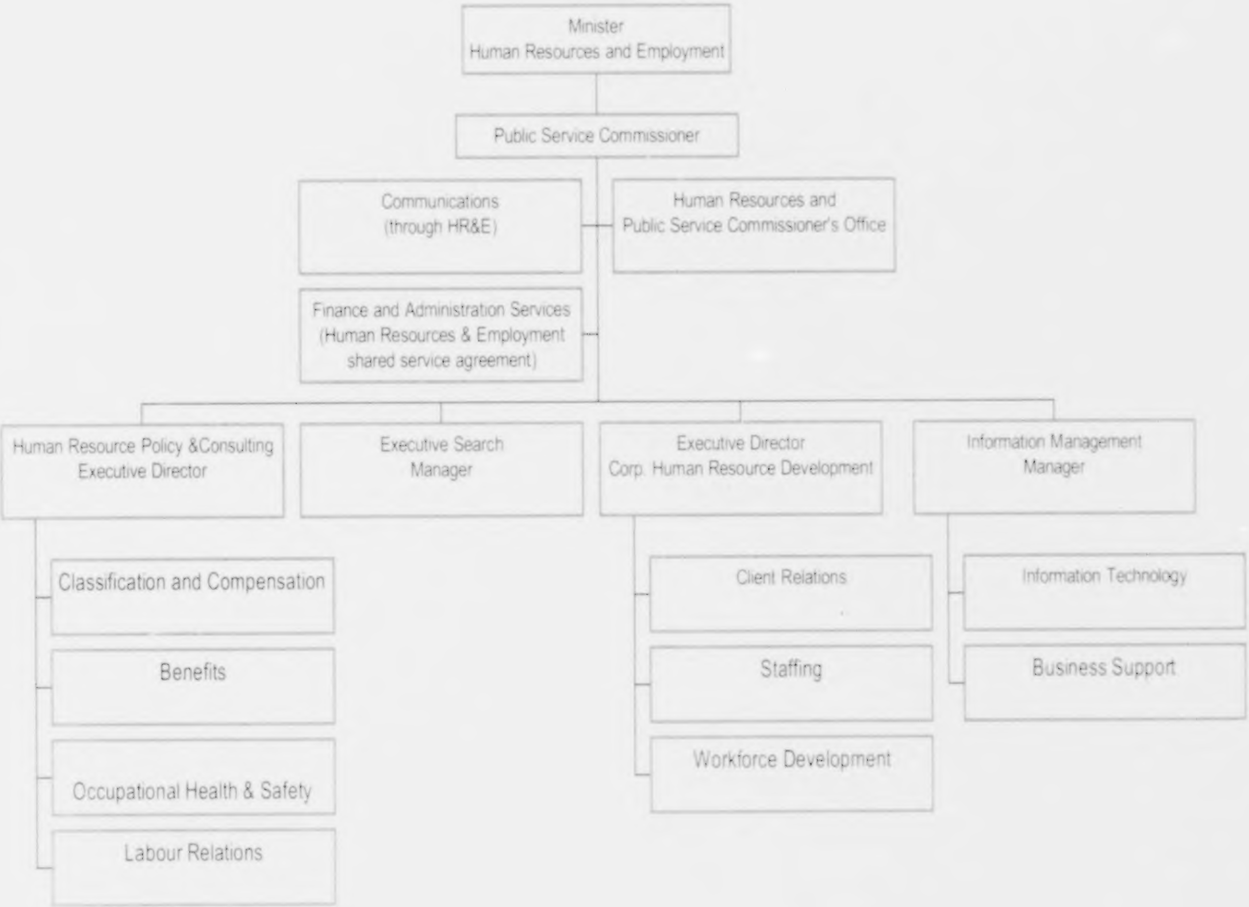
* The Appeals Commission for Alberta Workers' Compensation became part of the Ministry of AHRE on September 1, 2002. Performance and financial information from the Appeals Commission will be included in the Ministry's 2003-04 Annual Report.

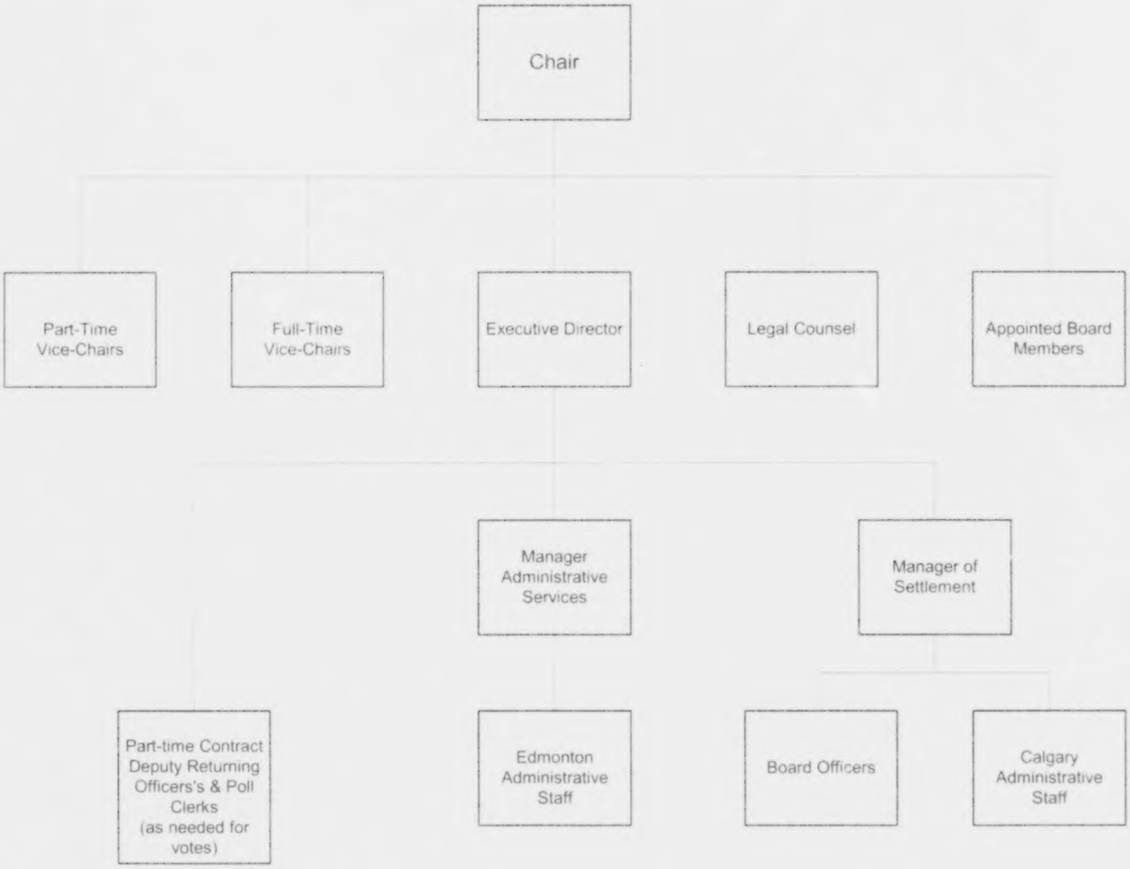
Department of Alberta Human Resources and Employment


Clint Dunford
Minister
Shelley Ewart-Johnson
Deputy Minister
Communications
Delivery Services
People Investments
Skills Investments
Workplace Investments
Strategic Services
Corporate Services
Northwest Region
Northeast Region
Edmonton Region
Central Region
Calgary Region
South Region
People Investments Planning & Analysis
People Invesments Program Design
Low Income Review Implementation Project Team
Office of the Public Guardian
Centrally Delivered Services
Widows Pensions
Child Health Benefits
Job Order Bank
Career Hotline
W.H&S Call Centre
ES Call Centre
STEP
Quebec/Alberta Exchange
Centralized Student Funding Team
Program Support Team
S.I. Redesign Team & Skills Investments Planning & Analysis
Skills Development Program
Aboriginal Initiatives
Workforce Development
Career Dev. Services
Skill Project Management
Workplace Policy and Standards
Workplace Partnerships
Mediation Services
Workplace Health & Safety and Employment Standards Compliance
Information Development & Evaluation
Intergovernmental Relations
Legislative Services
Business Planning, Performance Measures & Corporate Initiatives
People, Skills & Workplace Resources
Finance
Information Management & Application Support
Human Resources
Appeals Secretariat
Information & Privacy Office

Personnel Administration Office


Minister
Human Resources and Employment
Public Service Commissioner
Communications (through HR&E)
Human Resources and Public Service Commissioner's Office
Finance and Administration Services (Human Resources & Employment shared service agreement)
Human Resource Policy &Consulting Executive Director
Executive Search Manager
Executive Director Corp. Human Resource Development
Information Management Manager
Classification and Compensation
Benefits
Occupational Health & Safety
Labour Relations
Client Relations
Staffing
Workforce Development
Information Technology
Business Support

Alberta Labour Relations Board


Chair
Part-Time Vice-Chairs
Full-Time Vice-Chairs
Executive Director
Legal Counsel
Appointed Board Members
Manager Administrative Services
Manager of Settlement
Part-time Contract Deputy Returning Officers's & Poll Clerks (as needed for votes)
Edmonton Administrative Staff
Board Officers
Calgary Administrative Staff

Overview of the Ministry

Ministry of Human Resources and Employment Overview

The Ministry of Human Resources and Employment delivers programs and services to Albertans through the:

- Department of Alberta Human Resources and Employment (AHRE)
- Personnel Administration Office (PAO)
- Alberta Labour Relations Board (ALRB)
- Workers' Compensation Board-Alberta (WCB)
- Appeals Commission for Alberta Workers' Compensation (Appeals Commission)
- Occupational Health and Safety Council (OHSC)
- Council on Workplace Safety (CWS)
- Minister's Employability Council (MEC)

The Department of Alberta Human Resources and Employment, Personnel Administration Office and the Alberta Labour Relations Board Annual Reports are contained in individual sections within this Annual Report.

Only financial information for the Workers' Compensation Board is included in this report. Additional WCB information is provided annually to the Minister in a separate report.

All other entities referenced above produce separate reports to the Minister.

(A) THE DEPARTMENT OF ALBERTA HUMAN RESOURCES AND EMPLOYMENT (AHRE)

The Department of AHRE is composed of six divisions, aligned on its three core businesses of people, skills and workplace. The Department's programs and services are delivered through a network of offices in six geographic regions throughout the province and one centrally delivered unit. Mobile or itinerant services are available in many communities without service sites.

Alberta Human Resources and Employment's delivery network includes ties with training providers across the province, such as post-secondary institutions, private schools, high schools and contracts with private trainers. The Department also works with a variety of stakeholders such as industry, labour groups, professional associations, Indian Bands, Métis Settlements, community groups, federal and municipal governments and other provincial departments.

The Department of AHRE's divisions are:

- Delivery Services
- People Investments
- Skills Investments
- Workplace Investments
- Corporate Services
- Strategic Services, and
- Communications

Delivery Services

Delivery Services is the primary contact point for Albertans in accessing AHRE's programs and services. Delivery Services focuses on the following key challenges and opportunities:

- Providing information on the labour market, career advice, employment/training, occupational health and safety, and employment standards to Albertans
- Providing services and job related information through Youth Connections sites and the Canada-Alberta Job Bank
- Providing training opportunities and support through the Skills Development Program, Training on the Job and Alberta Job Corps
- Providing employment opportunities and support through job placement initiatives where participants are placed into employment or other contracted services
- Partnering with industries and businesses providing the opportunities for employment
- Ensuring Albertans have access to resources to assist them to become as independent as possible

- Ensuring Albertans have access to financial resources with which to meet their basic needs

People Investments

People Investments provides policy development for income support programs and Low-Income Review implementation. Responsibilities include:

- Designing, developing and maintaining income support programs for Albertans. Specifically, Assured Income for the Severely Handicapped, Supports for Independence, Widows' Pension, Family Maintenance, Alberta Child Health Benefit and the Adult Health Benefit
- Providing policy analysis and advice to the Department of AHRE and the Government of Alberta (GOA) by monitoring and sharing information on trends and developments in social policy, best practices and evidence-based social policy research
- Identifying and responding to public policy questions relative to divisional, departmental and government goals and strategies, and preparing evidence based documents to inform the design or responses to these goals
- Providing policy support and participating on coordinating committees related to AHRE's Key Corporate Initiatives, including the Low-Income Review Implementation project
- Representing the department on internal and cross-ministry initiatives or federal-provincial/territorial initiatives

Skills Investments

The Skills Investments provides policy development for the following AHRE programs and services: Skills Development (includes basic skills development, academic upgrading, short-term skill training), Skills for Work, Employment Preparation Programs (Self Employment, Job Placement), Employment Initiatives (Alberta Job Corps, Alberta Community Employment, Training on the Job), and other skills programs (Student Temporary Employment Program, Disability Related Employment Supports and Labour Market Partnerships). The focus of the Skills Investments Division is to ensure Albertans are prepared to work and able to adjust to changes in the workplace. This is accomplished through:

- Coordinating the departmental approach to labour market development and providing employment and training programs
- Supporting the continued development of a provincial strategy for a skilled workforce in Alberta (the Prepared for Growth strategy)
- Creating discussion papers, policy options, minister's reports and policy manuals
- Developing standards and guidelines to ensure provincial consistency in programs and services

- Providing policy support to the Department of AHRE and the Government of Alberta (GOA) and coordinating committees related to GOA policy priorities and AHRE's Key Corporate Initiatives
- Representing the Department on federal-provincial/territorial initiatives

Workplace Investments

Workplace Investments provides legislative and policy development, strategic advice and delivery for labour relations, employment standards, workplace health and safety, professional and occupational legislation and governance, and workplace partnerships. The Division accomplishes its work by:

- Providing expertise, strategic advice, issues management and environmental scanning for the department, Minister and government on workplace-related matters
- Providing mediators and arbitrators to assist employers and unions in resolving collective bargaining and grievance disputes
- Working with employers, industry associations and employee groups to ensure compliance with safety and employment standards at Alberta worksites
- Administering of appeals under the *Employment Standards Code*
- Partnering with professional associations, affected stakeholders, and other government departments to develop and implement standards to regulate non-health professions in the public interest
- Helping employers, employees, unions and industry associations work together by offering facilitation services, workshops and partnership opportunities
- Working with industry and safety associations to audit and certify health and safety programs
- Coordinating and supporting work done by government, industry associations, labour groups, employers and other organizations in implementing the Work Safe Alberta Strategy

Corporate Services

Corporate Services provides support across AHRE for finance, human resources, information management and application support, appeals and information and privacy services. This corporate support function is completed by:

- Providing advice about budget allocations and funding pressures
- Maintaining the appropriate financial systems and controls
- Developing frameworks and data for various financial and administrative activities and reports
- Providing strategic advice and planning to enable the department to make informed human resources (HR) decisions
- Developing HR policies, programs and strategies for the department (e.g., Leadership Continuity Plan, Learning Plans, Learning Accounts)

- Representing the department in public service collective bargaining and providing support in the administration of the employee assistance programs
- Continuously improving organizational electronic communications infrastructure: network, e-mail, intranet, Internet and extranet
- Managing the data and technology environment for the Ministry
- Developing strategic, operational and tactical information management and information technology plans and related policies
- Supporting the development of programs, services and systems in a manner that ensures an approach consistent with the intent and requirements of the privacy legislation
- Supporting a comprehensive and efficient appeals process that allows people to appeal financial benefit decisions made by program areas
- Providing support to the Department of AHRE and the GOA relative to GOA Cross-Ministry Key Administrative Initiatives and AHRE's Key Corporate Initiatives
- Representing the Department's interests on cross-government services (e.g. Senior Financial Officer Council, with Alberta Corporate Service Centre, Innovation and Science, Office of the Chief Information Officer, etc.)

Strategic Services

Strategic Services provides support across the department for legislative services, intergovernmental relations, data development and evaluation, text and audio resources/reference material on the Department of AHRE programs and services, strategic, business and operational planning and reporting and corporate supports for business excellence. The Division emphasizes a strategic focus and evidence-based decision making in all of the department's activities through:

- Developing legal and legislative options and strategies
- Providing strategic advice, policy development and issues analysis as Alberta interacts and promotes its position with federal, provincial and territorial governments
- Negotiating multi-lateral and bilateral agreements with other government jurisdictions
- Conducting applied demographic and economic research
- Developing and producing information to assist the department in making informed, evidence-based decisions
- Conducting evaluations on departmental programs and providing methodological services
- Developing, publishing, promoting and distributing labour market and workplace information in print, electronic and audiovisual formats
- Administering the Alberta Learning Information Service (ALIS) Web site
- Developing and leading the processes for the department's strategic, business and operational planning and corporate reporting

- Conducting environmental scanning to identify emerging trends and issues for the department and the GOA
- Leading the department's development of performance measures and representation of performance information to the Auditor General
- Promoting the principles of business excellence
- Identifying and providing a forum for sharing effective practices
- Providing support to AHRE and the GOA relative to the GOA's various cross-ministry priorities and AHRE's Key Corporate Initiatives

Communications

Communications provides strategic advice and practical support for the department's media relations, advertising, and public information and internal communications. Staff in regional offices and a central division support public awareness of programs and services by:

- Providing strategic issues management and ongoing communications advice and counsel to the Minister, executive and staff of the department and the Personnel Administration Office
- Providing strategic communications planning that supports achievement of the department's goals
- Providing media relations services
- Designing and implementing proactive communication programs to profile the Minister and the department
- Supporting the department's internal communication programs and activities
- Ensuring accuracy, clarity, punctuality and consistency of the Minister's responses to correspondence through the Ministerial Correspondence Unit (MCU)
- Writing and providing design services for advertising and public information about the department
- Developing materials and graphic design treatments to provide a consistent look and feel to the department's communications

Regional Communications staff provides shared services to AHRE, Alberta Children's Services and Persons with Developmental Disabilities Boards. Headquarters Communications staff include employees of the Public Affairs Bureau.

(B) PERSONNEL ADMINISTRATION OFFICE (PAO)

PERSONNEL
ADMINISTRATION
OFFICE

The Personnel Administration Office (PAO) is the corporate human resources arm of government. The PAO works with departments to develop cross-ministry human resource strategies and policy frameworks in a variety of areas to support departments in achieving their business plan goals. PAO is also responsible for the delivery of strategic support services.

The PAO's areas and primary functions are:

- Human Resource Policy and Consulting
- Corporate Human Resource Development
- Executive Search
- Information Management
- Human Resources and Communications, and
- Finance and Administration Services

Human Resource Policy and Consulting

Develops human resource strategies and policy frameworks and provides expert consulting to departments in the areas of benefits, classification and compensation, labour relations and occupational health and safety. Services include conducting collective bargaining on behalf of government as an employer and providing an employee assistance program for public service employees.

Corporate Human Resource Development

Provides leadership in building corporate human resource development initiatives. Develops human resource strategies and policy frameworks and provides expert consulting to departments in staffing and workforce development, works with departments to understand current and emerging human resource needs and co-ordinates the Premier's Award of Excellence Program.

Executive Search

Provides a corporate search program to attract and recruit executive managers and senior officials; offers search consulting services to significant agencies, boards and commissions to recruit senior executives and board members; assists departments in facilitating internal and external moves; and coaches Corporate Executive Development Program participants on resume writing, interview preparation and follow-up.

Information Management

Provides strategic information management services and business support services for PAO. Co-ordinates the development and implementation of PAO's Information Management/Information Technology Plan and ensures alignment with the Corporate Information Management/Information Technology Strategy. Works with departments to develop and implement initiatives for the effective management of human resource information.

Human Resources and Communications

The Human Resource office for PAO provides departmental human resource support, advice and leadership to PAO managers and staff. Communication services and support are provided to the Minister, Public Service Commissioner and program areas of PAO.

Finance and Administration Services

PAO has had a shared service arrangement to receive finance and administration services since 1987. Strategic financial and administrative services and financial policy advice is received from Alberta Human Resources and Employment. Services such as accounts payable processing, library, mail and courier, accommodation, and records management services are provided by the Alberta Corporate Service Centre.

(C) ALBERTA LABOUR RELATIONS BOARD (ALRB)

The Alberta Labour Relations Board is a quasi-judicial body responsible for the application and interpretation of the *Labour Relations Code*, the *Public Service Employee Relations Act* and the *Police Officers Collective Bargaining Act*. Both the Minister and the Deputy Minister maintain an arms length relationship with the Board. The Alberta Labour Relations Board prepares a separate performance report, which is included in this annual report.

(D) WORKERS' COMPENSATION BOARD-ALBERTA (WCB)

The Workers' Compensation Board is an employer-funded organization providing employers and workers with efficient and affordable disability and liability insurance. The WCB is an independent, board-governed organization operating under the *Workers' Compensation Act*. It reports to the Minister of Alberta Human Resources and Employment and compiles a separate annual report. WCB Financial Statements are included in this annual report.

(E) APPEALS COMMISSION FOR ALBERTA WORKERS' COMPENSATION

The Commission is a quasi-judicial body that is the final level of appeal from decisions of the Workers' Compensation Board. It operates at arms length from the Workers' Compensation Board and the government. The Appeals Commission became part of the Ministry of Human Resources and Employment on September 1, 2002, and will be reported on in the Ministry's 03/04 Annual Report.

Appeals Commission
for Alberta Workers' Compensation

(F) OCCUPATIONAL HEALTH AND SAFETY COUNCIL

The Occupational Health and Safety Council is composed of public, employer, and worker representatives. The Council advises the Minister on matters pertaining to the health and safety of Alberta workplaces. The Council also hears appeals of orders given by Occupational Health and Safety Officers.

(G) COUNCIL ON WORKPLACE SAFETY

The Council on Workplace Safety was established to oversee the current regulatory review process, examine issues, and make recommendations to ensure Alberta's regulatory framework is effective in reducing workplace injuries and illnesses.

(H) MINISTER'S EMPLOYABILITY COUNCIL

The Employability Council was established in November 1999. It provides advice to the Minister on enhancing employment opportunities for persons with disabilities. The membership of the committee includes persons with disabilities, employers, and association representatives.

Summary of Ministry Key Activities

Department of Alberta Human Resources and Employment

Summary of Key Activities

The Department of Alberta Human Resources and Employment (AHRE) serves Albertans under the core businesses of people, skills and workplace. The Department's mandate is to assist people to meet their basic needs, to help all Albertans find and keep work, and to help them be as independent as possible through fair and stable employment in a safe environment.

In the past year, AHRE has given a hand up to those people who need it the most, has helped more Albertans of all walks of life find and keep jobs, and has taken significant steps to make Alberta a safer place to work.

Helping people become more independent

Based on the recommendations of the MLA's Committee to Review Low-Income Programs, the department laid the foundation for the future of low-income programs. The Committee noted that many entry-level jobs do not come with health benefits.

One of the Department's goals is to help people move from income support into the workforce. By offering health benefits to parents who leave income support for work, we eliminate a potential barrier to employment and are helping families stay healthy and continue working.

The Adult Health Benefit (AHB) provides parents, who find a job and no longer receive financial benefits through the Supports for Independence (SFI) program, with the same health benefits they received through income support. By offering the AHB to parents who leave SFI for work, a potential barrier to employment is eliminated.

The Alberta Child Health Benefit (ACHB) is an initiative that provides premium-free prescription drugs, optical and dental services, emergency ambulance transportation and essential diabetic supplies to children in low-income families. The ACHB addresses a significant barrier faced by low-income parents – providing health coverage for their children when they get and keep a job.

The ACHB is one of Alberta's contributions to the National Child Benefit, a federal-provincial program with the goals of reducing child poverty and promoting parents' attachment to the workforce.

For more information on the Alberta Child Benefit visit: www.gov.ab.ca/hre/achb

This past year, income-qualifying levels increased for the ACHB. With this increase and the promotion of the program, the government expects many more families to enroll. More than 69,000 children are now covered by the program, about one-third of the children estimated to be eligible.

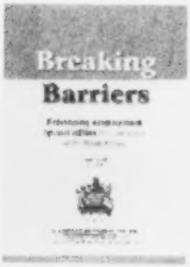
Legislation to integrate income and employment training programs, increase accountability for training service providers, and build on Alberta's success in helping people receiving income supports move into the workforce was introduced in the Alberta legislature.

BILL 32

Bill 32, the *Income and Employment Supports Act*, will establish a new program and benefit structure that will help people meet their basic needs, such as food, clothing and shelter, and provide additional building blocks of support to respond to people's unique circumstances. These could include supports for academic upgrading, assistance in getting child support, or longer-term financial assistance for people who are unable to work.

The *Act* builds upon the work already done to assist people in finding and keeping jobs. In addition, it links income supports with skills training. Scheduled to begin in January 2004, three income support programs will be joined – Supports for Independence, Widows' Pension and Skills Development Program living allowances, thereby making a direct link between income support and employment supports.

The emphasis will be on making sure people have the skills they need to contribute to Alberta's growing economy, meet some growing skills deficits in the labour market, and be able to support themselves and their families. There will be increased access to part-time and short-term skills training so more low-income Albertans can learn while they earn.



Breaking
Barriers

Breaking Barriers, enhancing employment opportunities for people with disabilities is the final report to government from the Minister's Employability Council (MEC), and suggests new strategies to improve work opportunities for Albertans with disabilities. The report focuses on increasing employer awareness of the skills of people with disabilities, and improving government delivery of employment programs and services for people with disabilities.

The Disability Related Employment Supports (DRES) program addresses barriers to employment for Albertans with disabilities. Job search, workplace and educational supports are provided. Assistive technology, including talking dictionaries and Braillers, is also available to assist clients at work and at school.

For more information on DRES, visit: www.gov.ab.ca/hre/dres

The DRES Policy Manual was finalized and made available to all stakeholders. Training for Alberta Government employees, service providers and post secondary institutions was given in the fall, with an emphasis on provision of DRES in the workplace.

Helping people by enhancing services

The Department developed a consultation plan in conjunction with Aboriginal Affairs and Northern Development. This plan is consistent with government's Aboriginal Policy Framework and AHRE's Aboriginal policy strategy, *Defining the Path*.

For more information on *Defining the Path*, visit: www.gov.ab.ca/hre/pdf/path.pdf

Partnerships with Alberta Justice (Maintenance Enforcement Program) and Alberta Children's Services allowed the Family Maintenance program to improve client services by providing better access to information and developing a framework to evaluate and assess potential improvements to service for common clients.

The decision was made to transfer the Office of the Public Guardian (OPG) to Alberta Seniors, effective April 1, 2003, with the associated budget and full-time employees. Alberta Seniors and AHRE felt the transfer would enhance co-ordination of services for seniors and dependent adults.

Similarly, the decision was made to transfer the Shelters for the Homeless and Hard-to-House from AHRE to Alberta Seniors with associated budgets and full-time employees effective April 1, 2003. Since Alberta Seniors generally takes the lead on housing initiatives and policies, and already facilitates programs for Seniors Housing, Family Housing and Special Purpose Housing, it was felt that combining housing programs would inherently create greater efficiencies in the delivery of services.

Helping people find and keep jobs

The First Nations Training-To-Employment Program supports the development of partnerships between the private sector, government and First Nations. This program assists First Nations people in finding and keeping meaningful employment. The province provides funds for tuition and books, First Nations pay for living expenses and the employer provides work experience for participants.

Under this program, a new partnership has been formed between the Alberta Government, the First Nations Reserve Council, and Edmonton Pipe trades – Local #488. The First Nations Trades Training Program provides basic training to First Nations people interested in working in the pipe trades. Other projects include security officer training, personal care attendant training, construction trade training, and oilfield truck driver training. This past year, AHRE teamed up with Oteenow Employment Training Society and Zone IV of the Metis Nation of Alberta Association, to form the

Partnership Framework Agreement on First Nations and Metis Urban Employment. The new agreement sets out guidelines for a co-ordinated and co-operative approach to the planning and delivery of career services. This agreement will help ensure First Nations people have the knowledge and the skills they need to participate in the Alberta Advantage.

During Canada Career Week, many of AHRE's delivery offices throughout the province hosted events. These included career fairs that provided helpful information to people new to the workforce, to people considering a career change, to parents helping their children make career decisions, and many more. Edmonton's Career Fair, organized by AHRE Edmonton, Oteenow Employment and Training Society, and Human Resources Development Canada (HRDC), featured over 115 exhibitors representing industries and employers from across the province. The Career Fair was Edmonton's most successful to date, breaking records in terms of numbers of exhibitors and sponsorships received, and receiving a Premier's Award of Excellence.

For more information on Canada Career Week, visit: www.alis.gov.ab.ca/canadacareerweek

Careers in Motion, a state-of-the-art motor home stocked with written materials, computers, access to the Internet, and cellular phones, hit the road last year. Albertans can now directly access department resources in those communities that do not have Labour Market Information Centres (LMICs). Developed by staff at AHRE's Slave Lake-High Prairie office, the 1975 motor home was transformed into a mobile LMIC by staff and trainees at AHRE's Northwest Alberta Job Corps. Trainees in the Job Corps, who are Supports for Independence (SFI) benefit recipients, gained valuable work experience during the project.

Careers in Motion, visit: www.gov.ab.ca/hre/careersinmotion

The Alberta government introduced a maximum amount for exceptional expenses under the Skills Development Program (SDP) living allowances. This will help keep the program sustainable while still providing students with a reasonable amount to cover their living expenses. Students receiving a living allowance under SDP who request additional funds to cover extra costs for rent, utilities and travel, and can provide supporting documentation, may be eligible for exceptional expenses that are dependent on the cost of living in their area.

In 2002, Alberta had the highest labour force participation rate in Canada. The labour force/working age population participation rate was 73.0%. In addition, according to the 2002 Labour Force Survey, 66.3% of Alberta women participated in the labour force, the highest percentage among the provinces. The largest group of working women is between 25 and 44. In Alberta, the participation rate in that group is 80.8%.

The 2001 Census found that 56% of people living in Alberta had qualifications in one of the three levels beyond high school (trade school, college or university). This is higher than the national average of 53%.

Helping people by providing the skills information they need

Several new publications have been published to help Albertans with their career choices. According to the *2002 Annual Alberta Labour Market Review*, Alberta employers created 41,700 new jobs last year, and the average hourly wage and education levels of Alberta's labour force were amongst the highest in Canada. Alberta workers were earning an average hourly wage of $17.94 and over one million Albertans had completed a university degree or some post-secondary education.

Alberta Careers Update predicts stable employment growth for the next few years and gives an overview of 19 different occupational groups. The publication confirms education and training will continue to be key to future success in the Alberta labour market. Nearly one third of all new jobs will require some post-secondary college, technical and trades training, and over one fifth will require university graduates. The strongest demands for workers are predicted to be in the occupational groups of trades, health care, science, and technology.

Information is also available about how the Alberta government is working to meet Alberta's labour market needs of today and tomorrow in the booklet, *Prepared for Growth, Building Alberta's Labour Supply, Year One Report to Albertans.*

Prepared for Growth:
BUILDING ALBERTA'S LABOUR SUPPLY
Labour Force Planning Committee
October 2001
Alberta

Alberta had the highest percentage of households that accessed the Internet in 2001 in Canada, tying with British Columbia at 65%. AHRE Web sites were popular. For example utilization of the Workplace Health and Safety Web site increased by 306% between December -01 and December -02 and visitor sessions at ALIS surpassed the 2002-2003 target of 1,200,000 by 286,340 - an increase of almost 20% from the total visitor sessions in 2001-2002.

Helping people work in a safe environment

One of the most important achievements this past year was the launch of Work Safe Alberta. Workplace injuries affect everyone – workers, employers, and families. Alberta's lost-time claim rate is at an all-time low of 3.0, making Alberta second only to Ontario. Even so, every three days an Albertan is killed on the job, and every 3.5 minutes a worker is injured at work. There is room for major improvement.

SAFETY MANUAL
This
OR
That
CHOOSE SAFE NOT SORRY

The Department's goal is a lost-time claim rate of 2.0 by 2004. By reducing the lost-time claim rate by 40%, there will be 15,000 fewer seriously injured workers each year. That is the challenge that has been presented to industry, safety associations, labour and government.
Work Safe Alberta encompasses a number of strategies. Work has begun to:

- promote workplace safety awareness through a print and television advertising campaign, at an estimated cost of $1.2 million over two

For more information on Work Safe Alberta, visit: www.gov.ab.ca/hre/whs

years, partially funded through a transfer from the Workers' Compensation Board - Alberta
- hire an additional 19 safety officers across the province
- expand the Workplace Health and Safety Web site and link it to other safety sites to permit browsing publications from multiple sites without changing web pages
- create a mentorship program where employers with excellent safety programs will help problem employers to improve
- encourage employers to join safety associations
- review the current Partnerships in Health and Safety Program and encourage all employers to participate; those employers successfully instituting a workplace health and safety management system can qualify for up to a 20% rebate on their Workers' Compensation Board - Alberta premiums

WORK SAFE
ALBERTA

The *Occupational Health and Safety (OHS) Amendment Act* was amended in December 2002 to:

- increase the maximum fine for a first OHS offence from $150,000 to $500,000
- allow judges to award penalties other than fines or incarceration for OHS offences, such as providing safety or education programs
- streamline the process for updating OHS rules by allowing the creation of an *Occupational Health and Safety Code* to govern the rules for worksite safety
- allow for adopting administrative fines similar to those used for traffic violations. The introduction of these fines will depend upon a review of their effectiveness in other jurisdictions.
- enable the names of employers with the best and worst safety performance to be published
- extend the length of time available in which to begin a prosecution from one to two years

CHOOSE SAFE NOT SORRY

Work Safe Alberta includes an awareness campaign that is using a number of tactics to encourage Albertans to "Choose Safe not Sorry." In addition, AHRE is consulting with Alberta Learning on incorporating safety training into the K-to-12 curriculum, and with industry and labour on incorporating it into apprenticeship curriculums.

Helping people…

The vision of Alberta Human Resources and Employment is clear – "Alberta works because we invest in people". In this past year, AHRE has proven its commitment and dedication to helping the people of Alberta.

Personnel Administration Office

Summary of Key Activities

As an employer, the Government of Alberta operates in a competitive labour market with global influences and must compete effectively for talent to ensure that Albertans continue to receive quality, affordable services. To accomplish this, the Personnel Administration Office supported the development of effective human resource strategies and policy frameworks, delivered the key strategic support services of collective bargaining, employee assistance and executive search and worked with departments to position the Alberta public service as an employer of choice.

The PAO conducted its client satisfaction survey in 2002/03 and results were positive:

- 81% of clients indicated that they were satisfied with human resource strategies and policy frameworks
- 90% of clients reported that they were satisfied with their working relationships with PAO.

The PAO provided leadership and co-ordination to the Corporate Human Resource Plan and the Corporate Human Resource Development Strategy. Priorities in the Corporate Human Resource Plan for 2002/03 were: building leadership capacity, attracting and retaining talent, performance management/human resource planning, and classification/collective bargaining

A number of additional components of Corporate Executive development were finalized and implemented including Deputy Minister and Assistant Deputy Minister profiles, competency sessions, cross-ministry initiative sessions and Deputy Minister Quarterly Forums. Approximately one quarter of all executives in the Alberta public service have enrolled in the Executive Assessment Services, a muli-rater assessment process, and development plans are in place for those that have completed the assessment process.

The Alberta public service competency model was updated to establish organizational expectations for critical on-the-job behaviors for all employees.

A number of initiatives and programs supported attraction and retention efforts in the Alberta public service:

- The Ambassador Program continued to support departments' efforts to market the Alberta public service with 177 ambassadors participating in 11 career fairs and a variety of forums, conferences and presentations across the province.
- As part of promoting internship programs a brochure was developed and sessions were provided for interns/students and recent graduates in the Alberta public service on various topics related to professional development. There were 604 work experiences, co-op and internship placements provided across the public service in 2002/03.
- New tools to market the Alberta public service were implemented including a new look to job advertisements, a recognition program for quality job advertisements, an enhanced employment Web site and a new orientation Web site.

PAO continued to lead and co-ordinate the government-wide initiative to convert the non-management classification plan to a modified Hay methodology (the Point Rating Evaluation Plan). This project involved ongoing collaboration with departments and the Alberta Union of Provincial Employees. The plan was successfully implemented for Subsidiary 2 (Administrative and Program Services) and the Opted Out and Excluded employee groups. As well, plans were developed and initiated to convert the remaining subsidiary groups.

Results achieved under the Corporate Human Resource Development Strategy continue to be strong:

- 81% of employees reported that they were satisfied with their employment in the Alberta public service;
- 90% of managers reported that their employees have the skills to meet current needs and 83% report their employees are prepared for future needs; and
- 75% of employees understand how their work contributes to their department's business plan and 71% understand how the work of their department contributes to government business plan goals.

The Premier's Award of Excellence Program provides an opportunity to encourage business excellence including superior performance, assessing progress and identifying ongoing improvements in the public service. In 2002, 45 submissions were received and 22 teams were recognized with awards.

In February 2003, a new Security Screening Directive was implemented for selected positions with the Alberta public service. This directive helps to ensure that the Government of Alberta, as an employer, has been duly diligent in filling designated positions where individuals will have a responsibility for the stewardship of government resources.

The Year 2002 marked the Silver Anniversary of the Government of Alberta Occupational Health and Safety (OHS) Program. In collaboration with the Alberta Union of Provincial Employees (AUPE), numerous activities and events were held during the year to celebrate the 25-year anniversary:

- Silver Anniversary edition of the Government of Alberta OHS Program
- The Harold Gerling Memorial Awards
- "Going for Gold" OHS Conference for Alberta public service employees.

In addition, presentations were made to a number of visiting international delegations including those from China and South Africa, enhancing the international reputation of the Alberta public service as a leader in strategic human resource management.

The Office of the Auditor General (OAG) of Alberta conducts an annual audit of human resource management and in 2002/03 successful implementation was reported for 2 prior recommendations:

- That department human resource planning continues to be improved and incorporated into the business planning process; and
- That PAO and Deputy Ministers ensure performance management systems clearly support government and department business plans.

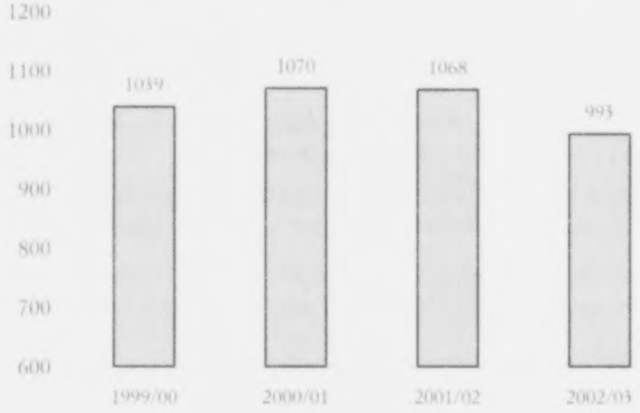
Alberta Labour Relations Board

Summary of Key Activities

The Health Care Bargaining Unit Review was superseded by the *Labour Relations (Regional Health Authorities Restructuring) Amendment Act* and subsequent regulations.

The Board continues to experience rising settlement rates as parties begin to accept and make use of the Board's mediation processes.

Alberta Labour Relations Board – Concluded Cases



Results

AUDITOR
GENERAL
Alberta

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Information

To the Members of the Legislative Assembly

In connection with the Department of Alberta Human Resources and Employment's performance measures included on pages 51 to 120 of the *2002-2003 Annual Report of the Ministry of Alberta Human Resources and Employment* I have:

Key measures

1. Agreed information from an external organization to reports from the organization.
2. Agreed information from reports that originated from within the Ministry to source reports. In addition, I tested the procedures used to compile the underlying data into the source reports.
3. Checked that the presentation of results is consistent with the stated methodology.
4. Checked that the results presented are comparable to stated targets, and information presented in prior years.
5. Checked that the key performance measures, as well as targets, agree to and include results for all of the measures presented in Budget 2002.

Supplemental information

6. Agreed the information to source reports. In addition, I checked that the supporting narrative is consistent with the information.

As a result of applying the above procedures, I found no exceptions. These procedures, however, do not constitute an audit and therefore I express no opinion on the Department of Alberta Human Resources and Employment's performance measures included in the *2002-2003 Annual Report of the Ministry of Human Alberta Human Resources and Employment.*

Fred J Dunn

FCA
Auditor General

Edmonton, Alberta
July 30, 2003

AHRE-
Integrated
Results Analysis

Department of Alberta Human Resources
and Employment

Integrated Results Analysis

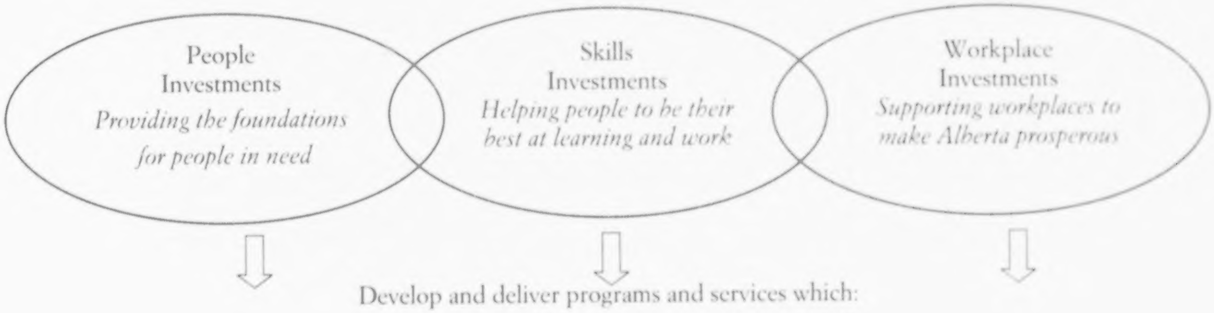
(Program and Financial Information Combined)

(Pages 37 – 50)

NOTE: The following section of the report contains an Integrated Results Analysis section listing financial and performance information by core business. While listed separately, each core business is affected by the others. The figure below shows how each core business connects to the others and how goals touch on more than one core business.

CORE BUSINESSES

The Department of Alberta Human Resources and Employment (AHRE) invests in people and workplaces. We help Albertans meet their basic needs and encourage them to become as self-reliant as possible through employment. We help ensure that workplaces are competitive, fair, safe and stable.


People Investments
Providing the foundations for people in need
Skills Investments
Helping people to be their best at learning and work
Workplace Investments
Supporting workplaces to make Alberta prosperous

Develop and deliver programs and services which:

• provide financial benefits and personal supports to Albertans in need	• help individuals prepare for, train for, find and keep employment	• contribute to workplaces that are safe, healthy, fair and stable for employees and employers

GOALS

Goal 1: Low-income Albertans have opportunities to improve their financial situation and attachment to the workforce

Goal 2: Alberta workers have the skills they need to succeed in the labour market

Goal 3: Albertans have quality workplace and labour market information

Goal 4: Alberta has a fair, safe and healthy work environment

Goal 5: Alberta has a productive workforce that meets the needs of the economy today and in the future

Operational Goal 6: Albertans receive effective and efficient programs and services

Integrated Results Analysis for Core Business:

PEOPLE INVESTMENTS

PROVIDING THE FOUNDATIONS FOR PEOPLE IN NEED

(Includes Goal 1)

DESIRED RESULTS	PERFORMANCE MEASURES	2002/03 Results	2001/02 Results	Variance	Page
Goal 1: Low-income Albertans have opportunities to improve their financial situation and attachment to the workforce.					
1.1 Low-income Albertans are able to support themselves and their families	1.1 Relationship between clients receiving financial assistance and the Market Basket Measure (MBM) low-income threshold. *(Under development)*				56
	Supplemental Information: **Caseloads**				56
	• Supports for Independence (*Monthly average*)	28,278	27,009	1,269	
	• Assured Income for the Severely Handicapped (*Monthly average*)	30,271	28,586	1,685	
	• Family Maintenance (*Monthly average*)	6,456	6,695	(239)	
	• Widows' Pension (*Monthly average*)	2,089	2,241	(152)	
	• Alberta Child Health Benefit (*As at March 2003*)	68,277	66,293	1,984	

FINANCIAL RESOURCES		Section Reference
Financial Resources (Total Gross Expenditures, $000's):		
Planned Spending	760,481	*See Financial Analysis & Discussion section*
Actual Spending	760,019	
Variance	462	

ENVIRONMENTAL SCANNING

- Between Apr-02 and Mar-03, the average unemployment rate was 5.4%.[1] For 2002, the labour force/working age population participation rate was 73%, the highest in Canada.[2] The proportion of Alberta employees earning minimum wage was 1.1%, the lowest of all the provinces.[3]
- As of Jan-03, Alberta's population is estimated to be 3,134,286, a growth of approximately 48,000 persons over the year - the strongest among the provinces.[4] Alberta continues to have the largest number of interprovincial net migrants. In 2002, Alberta had a net interprovincial migration of 23,329, the highest number in Canada.[5] The number of net international immigrants to Alberta in 2002 was 6,610.[6]
- The growth of Alberta's population has resulted in growth of the number employed and the number of unemployed in the province. The number employed increased by 43,400 and the number unemployed increased by 6,500.[7]
- The 2001 census data show that 12.5% of Albertans are disabled.[8]

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[1] Source: Statistics Canada - Labour Force Survey. 12-month average, unadjusted.

[2] The participation rate is the percentage of people 15 years and over who are in the labour force, meaning they are employed or underemployed. Source: Statistics Canada - Labour Force Survey. 12-month average, unadjusted.

[3] Source: Statistics Canada - Labour Force Survey.

[4] Source: Alberta Finance Population Report, Fourth Quarter 2003.

[5] January-December, 2002, in-migration minus out-migration. Source: Alberta Finance Population Report, Fourth Quarter 2003.

[6] Source: Alberta Finance Population Report, Fourth Quarter 2003.

[7] The number employed in Alberta was 1,654,200 at the end of March 2002, increasing to 1,697,600 at the end of March 2003. The number unemployed in Alberta was 85,800 at the end of March 2002, increasing to 92,300 at the end of March 2003. Source: Statistics Canada – Labour Force Survey. Seasonally adjusted.

[8] Source: Statistics Canada, Participation and Activity Limitation Survey (PALS), 2001.

KEY STRATEGIES	Page
Desired Result 1.1 - *Low-income Albertans are able to support themselves and their families*	
• Provide services to low-income Albertans who do not receive income support to enhance their independence	54
• Provide financial benefits and services to meet the basic needs of Albertans who are eligible to receive income support	54
• Assist families in accessing support from non-custodial parents	54

KEY INITIATIVES -	Page
Desired Result 1.1 - *Low-income Albertans are able to support themselves and their families*	
• Implement approved recommendations from the MLA Committee to Review Low-Income Programs	55
• Review funding and delivery of social services for Aboriginal peoples in Alberta, both on and off reserve	55

INTEGRATED RESULTS ANALYSIS

PEOPLE INVESTMENTS - PROVIDING THE FOUNDATIONS FOR PEOPLE IN NEED

The core business of "people investments" is about providing financial benefits and personal supports to Albertans in need. Alberta Human Resources and Employment (AHRE) understands the challenges of living and working in today's world, and therefore assists low-income Albertans to support themselves and their families. This core business also supports the People and Prosperity core businesses of the Government of Alberta and the cross-ministry initiatives on Aboriginal Policy, Alberta Children and Youth, Health Sustainability and Economic Development.

In 2002/03, AHRE successfully completed or made significant progress towards the strategies and key initiatives and delivered the services that are the foundation for the achievement of the goal "Low-income Albertans have opportunities to improve their financial situation and attachment to the workforce". In keeping with the goal and desired results for this core business, Family Maintenance, Widows' Pension, the Alberta Child Health Benefit, as well as the Adult Health Benefit, provided opportunities for low-income Albertans to support themselves as well as improve their attachment to the workforce.

Supports for Independence (SFI) caseloads were marginally higher than 2001/02 levels due primarily to a growth in the number of individuals receiving Employment and Training Supports. Assured Income for the Severely Handicapped (AISH) caseloads also grew over 2001/02 levels. Alberta's low unemployment rate, high labour force participation rates and low number of minimum wage earners contributed to containment of the growth of AHRE's income support caseload. However, Alberta's population growth, both from interprovincial in-migration and international immigration, resulted in not only a growth of the number employed but also a growth in the number unemployed, which contributed to added pressure for income support or other support programs. The growth in the AISH caseload is also affected by these variables, but is primarily a result of the aging population.

Support for low-income families with children in Alberta continues to be enhanced through participation in the National Child Benefit (NCB) strategy. Alberta's NCB initiatives complement and support existing government programs for low-income families by assisting low-income families with the costs associated with raising children, such as the Alberta Child Health Benefit (ACHB) which provides premium-free prescription drugs, optical and dental services, emergency ambulance transportation and essential diabetic supplies to children in low-income families. The ACHB was provided to over 68,000 children during 2002/03. Alberta's NCB initiatives also encourage parents to participate in the workforce through the Alberta Adult Health Benefit, which provides the same medical coverage as parents had on SFI when they leave assistance to pursue employment.

Some program budget savings resulted from lower than budgeted caseloads in the Assured Income for the Severely Handicapped, Widows' Pension and Alberta Child Health Benefits programs. However, these program savings were offset by significantly higher Supports for Independence program costs, primarily due to a higher than budgeted caseload.

Integrated Results Analysis for Core Business:

SKILLS INVESTMENTS

HELPING PEOPLE TO BE THEIR BEST AT LEARNING AND WORK

(Includes Goals 2 and 3)

DESIRED RESULTS	PERFORMANCE MEASURES	Target	Results		Page
Goal 2: Alberta workers have the skills they need to succeed in the labour market.					
2.1 Albertans have the skills they need to obtain and maintain employment	2.1 Percentage of participants employed post-intervention. *(All programs)*	**Target:** 70%	**Results:** 72%		68
2.2 Albertans who face barriers to employment are able to find work	*Supplemental Information:* Percent of participants employed post-intervention by special group type	**2002/03 Results:**	**2001/02 Results:**		69
	• Youth	79%	80%		
	• Aboriginal	51%	47%		
	• Persons with Disabilities	54%	59%		
	• Older Workers	67%	n/a		

DESIRED RESULTS	PERFORMANCE MEASURES	2002/03 Results	2001/02 Results	Variance	Page
Goal 3: Albertans have quality workplace and labour market information					
3.1 Albertans have access to quality information on workplace and labour market needs and opportunities	3.1 Percentage of clients satisfied with workplace and labour market information	**Target:**	**Results:**		77
	• Labour Market Information Centre	95%	94%		
	• Career Development Workshops	85%	89%		
	Supplemental Information: Use of workplace, career and labour market information services	**2002/03 Results:**	**2001/02 Results:**		78
	• Career Counselling Sessions	42,588	36,275	6,313	
	• Group Workshop Participants	40,224	39,018	1,206	
	• Labour Market Information Centre (LMIC) Visits	1,361,249	1,005,246	356,003	
	• Career Information Hotline Requests	31,284	30,374	910	
	• ALIS Web site User Sessions (Visits)	1,486,341	1,238,965	247,376	
	• Number of Career-Related Products Distributed	797,677	638,347	159,330	
	• Canada-Alberta Job Order Bank (Job Orders)	55,737	52,392	3,345	
	• Employment Standards Contact Centre	165,781	178,284	(12,503)	
	• Workplace Health and Safety Contact Centre	25,473	27,663	(2,190)	
	• Workplace Health and Safety Web site (Visits)	215,616	n/a	n/a	
	• Employment Standards Web site (Visits)	177,339	n/a	n/a	

FINANCIAL RESOURCES			Section Reference
Financial Resources (Total Gross Expenditures, $000's):			
	Planned Spending	263,474	*See Financial Analysis & Discussion section*
	Actual Spending	292,042	
	Variance	(28,568)	

ENVIRONMENTAL SCANNING

- For 2002, the labour force/working age population participation rate was 73%, the highest in Canada. Between Mar-02 and Mar-03, the number employed increased by 43,400 and the number unemployed increased by 6,500. Between Apr-02 and Mar-03, the average unemployment rate was 5.4%.
- Alberta's population growth between Jan-02 and Jan-03 remains the strongest among the provinces. Over the past ten years, Alberta's economy has grown at an annual average rate of 4.0% a year, the fastest rate of growth in Canada.
- Occupations requiring some form of post-secondary training now account for 60% of total employment. Between 1992 and 2002, employment increased by 59% for people with post-secondary qualifications, while increasing only 14% for people with a high school education, and decreasing by 7% for people with less than a high school diploma.
- In 2001, Aboriginal Albertans' unemployment rate was 15%, approximately 10% higher than the rate of non-Aboriginal Albertans. In comparison to other provinces, Alberta has the third highest number of residents who identify themselves as Aboriginals.
- A year-to-year comparison (Mar-02 to Mar-03) shows that the unemployment rate for youth (ages 15-24) has decreased from 10.9% to 9.3%, a decrease of 1.6%. However, the unemployment rate for older workers (age 45-64) has increased from 3.3% in Mar-02 to 4.8% in Mar-03 an increase of 1.5%.

KEY STRATEGIES	Page
Desired Result 2.1 – *Albertans have the skills they need to obtain and maintain employment*	
• Provide programs and services that help Albertans plan and manage their careers	61
• Provide programs and services that help workers adapt to changes in the labour market	61
• Continue to deliver employment preparation and support programs targeted at low-income, underemployed and unemployed individuals	61
• Review and renegotiate transfer arrangements under the LMDA and Employability Assistance for People with Disabilities (EAPD) Agreement in collaboration with other provinces/territories and the Government of Canada	62
• Increase availability of skills training that integrates academic upgrading, employability skills and occupational skills	63
• Design and develop options to assist low-income Albertans to attend part-time learning so that they can achieve greater success in the labour market	63

The participation rate is the percentage of people 15 years and over who are in the labour force, meaning they are employed or underemployed. Source: Statistics Canada - Labour Force Survey. 12-month average, unadjusted.

The number employed in Alberta was 1,654,200 at the end of March 2002, increasing to 1,697,600 at the end of March 2003. The number unemployed in Alberta was 85,800 at the end of March 2002, increasing to 92,300 at the end of March 2003. Source: Statistics Canada Labour Force Survey. Seasonally adjusted.

Source: Statistics Canada - Labour Force Survey. 12-month average, unadjusted.

As of January 1, 2003, Alberta's population is estimated to be 3,134,286, a growth of approximately 48,000 persons. Source: Alberta Finance Population Report, Fourth Quarter 2003.

Based on Gross Domestic Product between 1992 and 2002. Source: 1992-2001 data from Alberta Finance, 2002 data from Statistics Canada.

According to Statistics Canada definitions, Post-secondary training includes "Post-secondary certificate or diploma" and "University Degree" (includes Bachelor's degree and Above Bachelor's degree). Less than a high school diploma includes "0-8 years of education" and "Some high school". Source: Statistics Canada - Labour Force Survey.

2001 Statistics Canada Census.

2001 Statistics Canada Census.

Source: Statistics Canada - Labour Force Survey. Unadjusted.

Source: Statistics Canada - Labour Force Survey. Unadjusted.

KEY STRATEGIES *(continued)*	Page
Desired Result 2.2 – *Albertans who face barriers to employment are able to find work*	
• Continue to support the work of the Minister's Employability Council in achieving its mandate	64
• Provide employment and training supports for persons with disabilities	64
• Continue to participate in the implementation of the seniors policy initiative that assists older workers	65
• Continue the implementation of the Alberta Youth Employment Strategy that assists young people to make a successful transition to employment	65
• Obtain approval for and implement a policy framework to improve labour force participation of Aboriginal peoples	66
Desired Result 3.1 – *Albertans have access to quality information on workplace and labour market needs and opportunities*	
• Develop, promote and provide career and labour market information products and services	72
• Report on Alberta's labour market trends and forecasts	73
• Partner with business, industry, communities and other jurisdictions to share information about the knowledge and skills that will be required in the workplace	73
• In partnership with Alberta Learning, continue to support and expand the Alberta Learning Information Service (ALIS), a Web site providing information and services for Albertans seeking learning, career or employment opportunities	74
• Develop and distribute workplace safety and employment standards information aimed at inexperienced workers	75
• Provide workers and employers with access to workplace health and safety information	75

KEY INITIATIVES	Page
Desired Result 2.1 – *Albertans have the skills they need to obtain and maintain employment*	
• Obtain approval for and implement the Skills Investment Strategy	63
Desired Result 2.2 – *Albertans who face barriers to employment are able to find work*	
• Increase employment and training of Aboriginal people through partnerships with industry, Aboriginal organizations and other governments	67
• Assess and analyze delivery of current programs and identify areas for improvement	67
Desired Result 3.1 – *Albertans have access to quality information on workplace and labour market needs and opportunities*	
• Establish the department as the primary source for career and labour market information	76

INTEGRATED RESULTS ANALYSIS

SKILLS INVESTMENTS - HELPING PEOPLE TO BE THEIR BEST AT LEARNING AND WORK

The "skills investments" core business is about helping individuals prepare for, train for, find and keep employment, as well as providing learners with financial assistance to pursue training. Alberta Human Resources and Employment (AHRE) provide a wide range of services to help Albertans prepare for, find and maintain work. This core business also supports the People and Prosperity core businesses of the Government of Alberta and the cross-ministry initiatives on Aboriginal Policy, Alberta Children and Youth, Health Sustainability and Economic Development.

In 2002/03, AHRE successfully completed or made significant progress towards strategies and key initiatives and delivered the services that are the foundation for the achievement of the goal "Alberta workers have the skills they need to succeed in the labour market". To achieve this goal and the related strategies, Career Week Fairs and activities were held; workplace adjustment services were offered; Albertans were assisted in their labour market planning, education/training and job search; assistance and services were provided for disadvantaged groups such as for people with disabilities and for Aboriginal peoples; and targeted programs were provided for youth. In addition, Alberta provides comprehensive provincial labour market programs and services through the Labour Market Development Agreement with the Government of Canada, which assists unemployed and underemployed Albertans in building the skills they need to succeed in the labour market.

The second goal in this core business is "Albertans have quality workplace and labour market information". This goal and the related strategies and key initiatives were successfully achieved. Partnerships with industry, communities and other jurisdictions were established, maintained, or enhanced; the ALIS Web site was supported and expanded; many career and labour market publications and reports were produced and distributed, and workplace health and safety and employment standards information were developed and distributed to targeted audiences and the general public.

Results show that the intended outcomes of these activities and strategies were achieved. For most of the performance measures, targets were met or exceeded, or results were improved over 2001/02 levels. The number of participants employed post-intervention exceeded the target with a 72% employment rate. In addition, the distribution of career and labour market publications and reports exceeded projections. Labour Market Information Centre visits increased and the number of ALIS Web site user (visitor) sessions continued to grow and exceed projections. However, due to increased client reliance on program Web sites and self-service options (e.g., faxback and recorded message options) call volumes in both the Employment Standards and Workplace Health and Safety Contact Centres have declined.

Alberta's economy continues to lead the rest of Canada, and Alberta's labour force participation rate remains high. A strong labour market, healthy wage gains, and low provincial tax rates have attracted a growing number of people to the province. These factors combined have resulted in an increase in the number employed in Alberta. However, the number of unemployed Albertans has also increased as a result of these factors. Multi-barriered Albertans may require labour market information and skills training to find and maintain employment. Albertans with low education levels often earn less and are less likely to find and maintain employment, increasing the need for skills training. Aboriginal Albertans' unemployment rate remains higher than that of non-Aboriginals. Within the changing nature of Alberta's economy and the continual need for skills upgrading, AHRE continues to provide quality workplace and labour market information as well as opportunities for skills development and training to those who need it, including youth, Aboriginals, persons with disabilities, older workers, and multi-barriered Albertans.

The Skills Investments core business shows a variance between planned and actual spending. This over-expenditure is due in large part to the increase in the number of students enrolled in basic education and short-term training courses, which lead to sustainable employment. The amount spent on tuition fees and living allowances also increased in 2002/03.

Integrated Results Analysis for Core Business:

WORKPLACE INVESTMENTS

SUPPORTING WORKPLACES TO MAKE ALBERTA PROSPEROUS

(Includes Goals 4 and 5)

DESIRED RESULTS	PERFORMANCE MEASURES	Target	Results	Page
Goal 4: Alberta has a fair, safe and healthy work environment.				
4.1 Alberta workplaces are safe and healthy	4.1 Lost-Time Claim Rate: number of lost-time claims per 100 person-years worked	3.0	3.0	92
4.2 Labour and management are able to resolve disputes effectively	4.2 Percentage of collective bargaining agreements settled without a work stoppage (strike or lockout)	99%	93.2%[1]	93
4.3 Alberta employees and employers benefit from fair and balanced employment standards and practices	4.3 Number of employment standards complaints registered for investigation as a percentage of Alberta's eligible workforce	.50	.31	94
	Supplemental Information			
4.4 Professional and occupational associations in Alberta govern themselves in the public interest	4.1 Inter-provincial ranking of Alberta's person-days lost due to workplace injury and illness	Maintain rank as among the three lowest in Canada	*Statistics Canada has suspended data collection indefinitely*	95

DESIRED RESULTS	PERFORMANCE MEASURES	Target	Results	Page
Goal 5: Alberta has a productive workforce that meets the needs of the economy today and in the future.				
5.1 Alberta employers have the skilled workforce they need	5.1 Number of occupations that are in a skill shortage situation as defined by an unemployment rate below 3%. *(New measure)*	22	22	100

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[1] This measure is calculated based on the number of collective agreements *settled in* the fiscal year, and how many had work stoppages *prior* to being settled. While many factors influence the results on this measure, the primary factor in the 2002/03 result was the job action taken by Alberta teachers in 2001/02. While the teachers' work stoppages occurred in February 2002, there collective agreements were *settled* in June 2002.

FINANCIAL RESOURCES			Section Reference
Financial Resources (Total Gross Expenditures, $000's):			
	Planned Spending	18,565	*See Financial Analysis & Discussion section*
	Actual Spending	18,161	
	Variance	404	

ENVIRONMENTAL SCANNING

- In Alberta, the number employed increased by over 43,000 between Mar-02 and Mar-03.[19]
- Between Apr-02 and Mar-03, Alberta's average unemployment rate was 5.4%.[20] Alberta's Consumer Price Index (CPI) increased by 3.5% between 2001 and 2002.[21]
- Alberta continues to have the largest number of interprovincial net migrants. In 2002, Alberta had a net interprovincial migration of 23,329, the highest number in Canada.[22]

KEY STRATEGIES	Page
Desired Result 4.1 – *Alberta workplaces are safe and healthy*	
• Promote the development of effective worksite health and safety systems through the *Partnership in Health and Safety Program*	83
• Target poor health and safety performers for inspection, and investigate incidents and reported complaints	83
Desired Result 4.2 – *Labour and management are able to resolve disputes effectively*	
• Help organizations develop relationships through better communications, problem solving and labour-management co-operation	86
• Provide mediation services to unions and their employers in resolving disputes	86
• Provide sufficient resources to mediate and arbitrate disputes	87
Desired Result 4.3 – *Alberta employees and employers benefit from fair and balanced employment standards and practices*	
• Investigate and resolve registered complaints	88
• Target businesses and industries with poor compliance histories and implement strategies to improve compliance	88
• Develop and implement strategies to increase awareness of employment standards legislation	88
• Explore partnership opportunities with industry associations	88
Desired Result 4.4 – *Professional and occupational associations in Alberta govern themselves in the public interest*	
• Consult with professional and occupational associations and stakeholders to ensure that governing legislation is updated and maintained to provide effective professional standards and practices	90
• Promote free movement and equitable access to employment opportunities	91
Desired Result 5.1 –*Alberta employers have the skilled workforce they need*	
• Develop alliances at the local, provincial, national and international level that will contribute to human resource development	97
• Promote workforce effectiveness (work-life balance, lifelong learning, workplace values)	98
• Identify industrial sector and labour market trends	98
• Promote employer participation and investment in workforce development	99

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[19] Seasonally adjusted employed, March 2003 minus March 2002. Source: Statistics Canada - Labour Force Survey.

[20] 12-month average, unadjusted. Source: Statistics Canada - Labour Force Survey.

[21] Year over year percent change (annual), where 1992=100. The Consumer Price Index measures the percentage change over time in the average cost of a large basket of goods and services purchased by Canadian consumers. Source: Statistics Canada.

[22] Net interprovincial migration = in-migration minus out-migration. Source: Alberta Finance Population Report, Fourth Quarter 2003.

KEY INITIATIVES *(continued)*	Page
Desired Result 4.1 – *Alberta workplaces are safe and healthy*	
• Introduce and implement regulatory changes under *the Occupational Health and Safety Act*	84
• Hold a province-wide forum on Workplace Health and Safety	84
• Implement the new accountability framework, improved decision-making and governance of the Appeals Commission for Alberta Workers' Compensation in collaboration with the Workers' Compensation Board –Alberta (WCB) and the Appeals Commission	84
Desired Result 4.2 – *Labour and management are able to resolve disputes effectively*	
• Implement the recommendations of the review of ground ambulances concerning the designation of ambulance workers as an essential service	87
• Hold consultations on the *Labour Relations Code*	87
Desired Result 5.1 – *Alberta employers have the skilled workforce they need*	
• Implement *Prepared for Growth: Building Alberta's Labour Supply*	99
• Work with partners and stakeholders to define the roles of industry and Government in workplace training	99

INTEGRATED RESULTS ANALYSIS

WORKPLACE INVESTMENTS - SUPPORTING WORKPLACES TO MAKE ALBERTA PROSPEROUS

The "workplace investments" core business is about developing and delivering programs and services, which contribute to workplaces that are safe, healthy, fair and stable for employees and employers. This core business also supports the People and Prosperity core businesses of the Government of Alberta and the cross-ministry initiative on Economic Development.

In 2002/03, Alberta Human Resources and Employment (AHRE) successfully completed or made significant progress towards the strategies and key initiatives and delivered the services that are the foundation for the achievement of the goal "Alberta has a fair, safe and healthy work environment". To achieve this goal and the related strategies, partnerships with safety associations, industry groups, education institutes and labour organizations were established to promote and certify health and safety programs. The *Occupational Health and Safety Act* was amended and a new Occupational Health and Safety (OHS) Regulation took effect on March 31, 2003. Further, poor health and safety performers were targeted for inspection. AHRE inspectors throughout the province investigated reported complaints and serious incidents. These initiatives are some of the components of the Work Safe Alberta (formerly known as Workplace Safety 2.0) initiative to improve workplace safety in Alberta. Alberta's economic prosperity has attracted a large number of people to Alberta, and this growth means more inexperienced workers joining the workforce. Despite this fact, the 2002 Alberta workplace injury rate of 3.0 serious injuries per 100 full-time jobs was the lowest since the current system of measurement in Alberta was established in 1991.[23]

To enable labour and management to resolve disputes effectively, mediation services were provided to unionized workplaces. Unfortunately, AHRE's ambitious target of 99% for the measure "percent of collective bargaining agreements settled without a work stoppage" was not met. While factors influencing this measure include a low unemployment rate, a shortage of skilled workers in some sectors, and a high expectation of workers and demands of unions as a result of current economic growth in the Alberta economy, the primary driver of this result was the job action taken by Alberta teachers in 2002[24].

To ensure that Alberta employees and employers benefit from fair and balanced employment standards and practices, complaints registered with AHRE's Employment Standards were investigated and resolved. The performance target for this area was exceeded. This was achieved despite environmental factors, which could have contributed to an increase in the number of employment standards complaints registered. An upswing in the economy sometimes can result in an increase to the number of employment standards complaints registered because new employers may not be familiar with their obligations under the *Employment Standards Code*. Also, during a time of high employment, employees are more secure in filing a complaint about minimum standards, as there are other job opportunities available.

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[23] The Alberta lost-time claim rate in 1991 was 4.1 claims per 100 person-years, in 2002 it was 3.0. The goal for 2004 is to reduce the rate to 2.0.

[24] The measure "Percent of collective bargaining agreements settled without a work stoppage" looks at the number of collective agreements settled in the fiscal year, and how many had work stoppages prior to being settled. While the teachers' work stoppages occurred in February 2002, their collective agreements were settled in June 2002.

Consultations with professional and occupational associations and stakeholders were conducted, specifically for the *Regulated Forestry Profession Act*, the *Veterinary Profession Amendment Act*, and to address labour mobility issues. The Department of AHRE participated in and contributed to federal and provincial government strategies to implement the requirements of the Agreement on Internal Trade (AIT), specifically Chapter 7, which pertains to Labour Mobility, and finalize Mutual Recognition Agreements between provincial regulators.

The second goal in this core business is "Alberta has a productive workforce that meets the needs of the economy today and in the future". To achieve this goal all strategies and key initiatives were successfully implemented. The Department of AHRE actively identified industrial sector and labour market trends and promoted employer participation and investment in workforce development. In 2002 (January to December), 22 of 53 occupational classifications had a skill shortage as indicated by an unemployment rate of less than 3.0%. Many of the skill shortages are in the Health Care and Management areas. This is down from 2001, when 26 of 53 occupational classifications were in a skill shortage situation. The decrease in skills shortages is, in part, a result of actions undertaken as a result of the "Prepared for Growth" provincial labour strategy, which is the government's plan to ensure Alberta has enough skilled workers to meet industry demand. The three key strategies are to increase the skill and knowledge levels of Albertans, increase the mobility of labour in Canada, and increase the number of skilled immigrants to Alberta. The marginal increase in Alberta's unemployment rate, the increase in Alberta's working age population and labour force participation rate, and a strong labour market, have also contributed to the reduction in the number of skills shortages.

Workplace Investments' under-expenditure resulted from staff vacancies and reduced information and technology contract costs.

Alberta has continued to achieve significant success in supporting workplaces to make Alberta prosperous and contributed to safe, healthy, fair and stable workplaces for employees and employers.

Integrated Results Analysis for Operational Goal 6:

ALBERTANS RECEIVE EFFECTIVE AND EFFICIENT PROGRAMS AND SERVICES

Alberta Human Resources and Employment has the following three core businesses: People Investments, Skills Investments and Workplace Investments. Goal 6 is an operational goal and influences each of these core businesses. As such, a separate Integrated Results Analysis has been prepared for Goal 6. Please note, the financial information for this goal has been allocated to the core businesses and is therefore not included in the following analysis.

INTENDED RESULTS	PERFORMANCE MEASURES	Target	Results	Page
Goal 6: Albertans receive effective and efficient programs and services.				
6.1 Albertans are satisfied with the overall quality of department programs and services	6.1 Satisfaction of individuals who have used key departmental programs			116
	• Employment / Training Programs and Job Placement	90%	92%	
	• Career and Employment Assistance Services	85%	85%	
	• Supports for Independence (SFI)	85%	69%	
	• Alberta Child Health Benefit recipient families	95%	99.5%	
	Supports and services provided by the Office of the Public Guardian:			
	• Service Providers	90%	89%	
	• Private Guardians	90%	88%	
6.2 Alberta's dependent adults receive the best possible representation	6.2 Percentage of dependent adults with private guardians*	80%	79%	118
	*Supplemental Information: Caseloads**			
	Office of the Public Guardian	**2002/03 Results:**	**2001/02 Results:**	120
	• Service Providers	1,977	1,991	
	• Private Guardian	7,654	7,520	
	**2002/03, caseload is average monthly caseload. 2001/02 caseload is year-end caseload only (March 2002).*			
6.3 Stakeholders and partners are satisfied with the contribution of the department in key cross-ministry initiatives	6.3 Other government departments' perception of the department's contribution on key initiatives	85%	93%	119

FINANCIAL RESOURCES	Section Reference
Financial Resources Financial Information for Goal 6 has been integrated in the People, Skills and Workplace core businesses. Goal 6 is an operational goal and therefore influences each core business.	*See Financial Analysis & Discussion section*

(OPERATIONAL) ENVIRONMENTAL SCANNING

A variety of factors impact operational planning and implementation. These factors include:

- Cross-ministry initiatives include priority policy initiatives, key administrative initiatives and routine maintenance initiatives.
- International events influence priority setting for initiatives. For example, AHRE and all Government of Alberta Ministries drafted Business Resumption Plans to ensure programs and services continue despite global events, such as terrorist threats.
- Between Jan-02 and Jan-03, Alberta's population grew by approximately 48,000 persons and is estimated to be 3,134,286 persons.[25] Alberta continues to have the largest number of interprovincial net migrants. In 2002, Alberta had a net interprovincial migration of 23,329, the highest number in Canada.[26]
- The Department of AHRE's caseload grew over 2001/02 levels for Supports for Independence (SFI), Assured Income for the Severely Handicapped (AISH) and Alberta Child Health Benefit (ACHB), while the caseload for Family Maintenance and Widows' Pension showed a small decline.[27]
- Stakeholder consultations and industry partnerships affect policy and program decisions and program results.
- New systems development and systems redesign
- Service and business process redesign.

KEY STRATEGIES	Page
Desired Result 6.1 – *Albertans are satisfied with the overall quality of department programs and services*	
• Evaluate AHRE programs and services regularly	104
• Maintain accessible, timely and effective appeals processes for department clients	104
• Develop a new case management and payment system to support skills and people investment programs	105
• Continue to implement the department's human resource plan and staff development strategies with a focus on implementing the leadership and continuity plan	105
• Continue to implement AHRE's Strategic Plan for Information Management and Technology	106
• Continue to review and update the Internal Financial Control Strategy	106
• Promote evidence-based approach to planning and developing of AHRE's policies, programs and services	107
Desired Result 6.2 – *Alberta's dependent adults receive the best possible representation*	
• Continue to provide guardianship services to dependent adults in Alberta where no appropriate party is available to assume private guardianship	108
• Encourage private guardians to assume responsibility whenever possible	109
• Encourage Albertans to plan for their future through the use of personal directives	109
Desired Result 6.3 – *Stakeholders and partners are satisfied with the contribution of the department in key cross-ministry initiatives*	
• Provide opportunities and vehicles for the department's external stakeholders' input into initiatives	110
• Continue to actively support the four Government of Alberta cross-ministry policy initiatives: Aboriginal, Children and Youth, Health Sustainability and Economic Development	112
• Continue to support other cross-ministry initiatives including the four Key Administrative Initiatives: Alberta Corporate Service Centre (Government of Alberta), Corporate Human Resource Development Strategy, Corporate Information Management/Information Technology Strategy and One Window Access Project.	113

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[25] Source: Alberta Finance Population Report, Fourth Quarter 2003.
[26] Net interprovincial migration = in-migration minus out-migration. Source: Alberta Finance Population Report, Fourth Quarter 2003
[27] See Goal 1, Supplemental Information: Caseloads for Details.

KEY INITIATIVES	Page
Desired Result 6.1 – *Albertans are satisfied with the overall quality of department programs and services*	
• Develop and implement a comprehensive business resumption plan	107
• Implement an intern and co-op employment program within the department for persons with disabilities and Aboriginal peoples	107

INTEGRATED RESULTS ANALYSIS

GOAL 6 – ALBERTANS RECEIVE EFFECTIVE AND EFFICIENT PROGRAMS AND SERVICES

The goal "Albertans receive effective and efficient programs and services" is an operational goal, intended to provide Albertans with quality department programs and services and to enable the department to contribute effectively to cross-ministry initiatives. The Government of Alberta sets certain priorities. Arising from these priorities, AHRE adopts certain directions, and allocates resources accordingly. AHRE supported the People, Prosperity and Preservation core businesses of the Government of Alberta through participation in the cross-ministry policy initiatives on Alberta Children and Youth, Aboriginal Policy, and Health Sustainability, and as co-champion of the Economic Development Strategy. The Department also supported the cross-ministry key administrative initiatives, which were the Corporate Human Resource Development Strategy, Alberta Corporate Service Centre initiatives, the Alberta One Window/Service Alberta project, and the Corporate Information Management/Information Technology Strategy. In addition, AHRE continues to be an active member of the interdepartmental Senior Officials Committee on Homelessness (SOCOH), the Canadian Intergovernmental Relations Strategy, and the International Strategy. Survey results of partnering ministries show that AHRE staff were fair (93%), very approachable (97%), and helpful (97%), when collaborating with these partnering ministries.

In order to ensure Alberta's dependent adults receive the best possible representation, the Office of the Public Guardian (OPG) offers the Guardianship program. This program is intended for dependent adults over the age of 18 who are unable to care for themselves or make personal decisions. Although AHRE encourages private guardians to assume responsibility wherever possible, these services were made available to dependent adults in Alberta where no appropriate party was available to assume private guardianship. Albertans continue to be encouraged to plan for their future through the use of personal directives. In 2002/03, 79% of dependent adults had private guardians. Changes in demographics may affect demand for services and the expectations of service recipients. It is expected that an aging population will affect the Guardianship program caseload.

In 2002/03, most of the performance targets were met or exceeded regarding satisfaction of individuals who used key departmental programs, a measure of the effectiveness and efficiency of AHRE's programs and services. Factors such as increases in population and changes in demographics in Alberta can create upward pressure on caseload size and the resources required to address these pressures, which may in turn affect satisfaction levels. The low satisfaction levels recorded this fiscal year for the Supports for Independence (SFI) program are a reflection of these pressures, as well as the program expectation that SFI clients increase their self-sufficiency through employment. The Department of AHRE continues to evaluate programs and services regularly and offers appeals processes for department clients. Stakeholder consultations and industry partnerships played a part in policy and program decisions and thereby program results. The Department of AHRE's service and business process redesign, as well as new systems development and systems redesign, contributed to responsive programs that are efficient and effective. The Department of AHRE continues to develop and target the array of training and employment programs offered, as well as promoting programs such as the Alberta Child Health Benefit.

Overall, AHRE has been successful in providing effective and efficient programs and services to Albertans.

Department of Alberta Human Resources
and Employment

Detailed Program Results Analysis and Discussion

goals, strategies, measures and desired results

Goal 1: **Low-income Albertans have opportunities to improve their financial situation and attachment to the workforce**

DESIRED RESULT 1.1

Low-income Albertans are able to support themselves and their families

STRATEGIES

- Provide services to low-income Albertans who do not receive income support to enhance their independence
- Provide financial benefits and services to meet the basic needs of Albertans who are eligible to receive income support
- Assist families in accessing support from non-custodial parents

KEY INITIATIVES

- Implement approved recommendations from the MLA Committee to review Low-Income Programs
- Review funding and delivery of social services for Aboriginal peoples in Alberta, both on-and off-reserve

KEY PERFORMANCE MEASURE

Relationship between clients receiving financial assistance and the Market Basket Measure (MBM) low-income threshold (under development)

SUPPLEMENTAL INFORMATION

Caseload information (Supports for Independence, Assured Income for the Severely Handicapped, Widows' Pension, Family Maintenance, Alberta Child Health Benefit)

BACKGROUND

1.1 Low-income Albertans are able to support themselves and their families.

The Department of Alberta Human Resources and Employment (AHRE) understands the challenges of living and working in today's world. Alberta Human Resources and Employment staff assist Albertans in looking for opportunities to improve their financial situation, re-enter the workplace, and lead a more independent life.

To assist low-income Albertans to support themselves and their families, a number of supports are available through Supports for Independence (SFI), Assured Income for the Severely Handicapped (AISH), and Alberta Widows' Pension (WP). Other supports for low-income Albertans include the Alberta Child Health Benefit (ACHB) and Family Maintenance (FM). The Department continued to extend health benefits to clients who left the SFI Assured Support program or AISH for employment. Until March 2003, services for dependent adults were provided by the Office of the Public Guardian (OPG). As of April 1, 2003, the OPG was transferred to the Ministry of Alberta Seniors.

The Canadian Policy Research Networks recently released a discussion paper called *Redesigning the "Welfare mix" for Families: Policy Challenges.* **The paper was funded by AHRE's People Investments Division and written by Jane Jenson. The discussion paper and/or executive summary can be found at: www.cprn.com/en/doc.cfm.**

Supports for Independence (SFI) provides financial and employment assistance for individuals and families whose income and assets are insufficient to meet their basic needs. SFI generally provides a standard allowance, a shelter allowance, and health coverage. Additional special benefits are available for training and job search, emergencies, medical and children's needs. Rates vary by the number of adults and children in a household, ages of children, family composition and by how soon the client is expected to return to the workforce.

For more information on the National Child Benefit, visit: www.nationalchildbenefit.ca

Support for low-income families with children in Alberta continues to be enhanced through participation in the National Child Benefit (NCB) strategy. Alberta's NCB initiatives complement and support existing government programs for low-income families.

Alberta's NCB initiatives include:

- The Alberta Child Health Benefit (Alberta's largest NCB investment), which provides premium-free prescription drugs, optical and dental services, emergency ambulance transportation and essential diabetic supplies to children in low-income families
- Supports for Independence Shelter Benefits, where shelter benefits were increased for families with children who rely on the provincial income support program and SFI, to meet their basic needs
- An increase in the SFI School Allowance Benefit, provided to children at the start of the school year

The SFI Earnings Exemption where single parents and families with two working parents can now earn up to $230 per month before their SFI benefits are reduced.

- An Employment Maintenance Benefit of $120 is provided for parents who are working
- The Alberta Adult Health Benefit has been expanded to include SFI parents who leave SFI for work

Assured Income for the Severely Handicapped (AISH) is an income support program for adult Albertans with a permanent disability that severely impairs their ability to earn a living. The program is income and asset tested. AISH recipients receive a monthly flat rate financial benefit, along with a medical services card that provides coverage for recipients and their families for prescription drugs, glasses, eye exams, dental work, emergency ambulance services and essential diabetic supplies.

The Alberta Widows' Pension (WP) provides financial, housing and health care benefits to eligible low-income widows and widowers aged 55 to 64 to assist with the loss of income caused by the death of their spouse. The program provides financial support, exemption from Alberta Health Care premiums, and medical care benefits similar to those provided to persons over the age of 65. Also provided is an annual shelter allowance for private rental accommodation, mobile homes or homeowners.

The ACHB provides children in low-income families with a premium-free health plan. This plan includes dental, optical, emergency ambulance, essential diabetic supplies, and prescription drug coverage.

The Adult Health Benefit (AHB) provides qualified low-income individuals and their dependents with a premium-free health plan. Like the ACHB, the plan includes dental, optical, emergency ambulance, essential diabetic supplies, and prescription drug coverage. People with or without dependent children who leave Supports for Independence (SFI) and Assured Income for the Severely Handicapped (AISH) for employment are eligible for AHB. In addition, the benefit is available to AISH recipients who leave the program because of an increase in Canada Pension Plan Disability Benefits.

Family Maintenance (FM) helps single parents and parents of blended families negotiate child support agreements or obtain child support court orders. Most FM clients receive income support benefits, but FM services are also offered to other low-income Albertans including Child Care Subsidy clients.

Low-Income Albertans (other than SFI clients) have an opportunity to gain better access to Family Maintenance services and to determine if this program is the right resource for them. Since November 2002, Edmonton Region has been piloting a self-screening process for non-SFI clients. The process gives parents interested in addressing the financial needs of their children the opportunity to explore options and settle maintenance issues by agreement when possible.

As part of the strategy to increase the use of the Alberta Child Health Benefit (ACHB), Canada Customs and Revenue Agency included ACHB information sheets in its Canada Child Tax Benefit mail outs to 334,000 Alberta families.

RESULTS

STRATEGIES

Provide services to low-income Albertans who do not receive income support to enhance their independence

As part of this strategy, a marketing plan was initiated to increase the caseload for the Alberta Child Health Benefit (ACHB) to 76,000 by March 2003. A nine-week advertising campaign was launched in January 2003, which included television ads, bus ads in some communities and print ads. In addition, hospitals throughout the province have agreed to distribute ACHB application kits to new mothers, and schools have been approached to share information with students. Further, ACHB information is available in all Labour Market Information Centres.

Some regions in Alberta have initiatives to refer non-custodial parents who are unemployed or underemployed for employment and training services. Family Maintenance is provided to parents who access Day Care subsidy programs. Edmonton region has a pilot project with AISH clients to assist them to access child and spousal support payments.

Overall, staff continue to provide information about AHRE programs and services to clients, community groups, agencies, and the general public on an ongoing basis to increase awareness and access to services by Albertans.

Effective November 1, 2002, the Adult Health Benefit was extended to all parents leaving SFI for employment.

Provide financial benefits and services to meet the basic needs of Albertans who are eligible to receive income support

The Department encourages Albertans to actively participate in the labour force. However, there are programs and services such as SFI, AISH and Widows' Pension available to Albertans who are unable to fully support themselves and their families.

Free
basic health benefits for children in low-income families
The Alberta Child Health Benefit
FREE:

Additional achievements related to this strategy include regional liaisons with a range of community agencies, homeless shelters, shelters for victims of family violence, Alberta Alcohol and Drug Abuse Commission (AADAC) and Human Resources Development Canada to enhance co-ordination of services to mutual clients. The Calgary office was the first to expedite the application process for AISH, which has reduced the time to process an application. Some regions are developing protocols to follow up with clients whose SFI file closes to offer continued employment support.

Assist families in accessing support from non-custodial parents

Family Maintenance (FM) services were provided to approximately 23,000 clients. Maintenance income with a value of $4 million was received directly by 4,500 SFI/AISH clients. In addition, almost 4,000 orders and agreements with a child support value of $1.3 million per year were registered at the

Maintenance Enforcement Program (MEP), administered by Alberta Justice. To ensure correct disbursement of child support payments, AHRE provided all necessary information to the MEP to disburse previously misdirected child support payments from the Crown to the custodial parents.

During the 2002/03 year, partnerships with Alberta Justice (Maintenance Enforcement Program) and Alberta Children's Services enabled the FM program to improve client services through better access to information and to develop the evaluation framework to assess potential future service enhancements for common clients.

KEY INITIATIVES

Implement approved recommendations from the MLA Committee to review Low-Income Programs

The government publicly responded to the low-income review, and introduced new legislation to integrate income and employment training programs, to increase accountability for training service providers, and help people on income support move into the workplace. Bill 32, the *Income and Employment Supports Act*, was introduced in the legislature in March 2003, passed its third reading in May 2003 and is planned for proclamation in January 2004. It will establish a new program and benefit structure that will help people meet their basic needs, such as food, clothing and shelter, and provide additional building blocks of support to respond to people's unique circumstances.

Review funding and delivery of social services for Aboriginal peoples in Alberta, both on-and off-reserve

The Department of AHRE developed a consultation plan in conjunction with Aboriginal Affairs and Northern Development. This plan is consistent with government's Aboriginal Policy Framework and AHRE's Aboriginal policy strategy, *Defining the Path.*

For more information on *Defining the Path,* visit:
www.gov.ab.ca/hre/pdf/path.pdf

PERFORMANCE MEASURES

The Department offers a variety of income supports to those who are unable to meet their basic needs.

KEY PERFORMANCE MEASURES

1.1 Relationship between clients receiving financial assistance and the Market Basket Measure (MBM) low-income threshold

Human Resources Development Canada originally anticipated releasing Market Basket Measure (MBM) data in late 2002. However, the data were released on May 27, 2003. The delay in receiving this data significantly impacted discussions regarding the development of this measure.

SUPPLEMENTAL INFORMATION

1.1 CASELOADS

Caseloads	1999/00	2000/01	2001/02	2002/03
Supports for Independence * (*Monthly Average*)	31,112	28,354	27,009	28,278
Assured Income for the Severely Handicapped (*Monthly Average*)	24,760	26,700	28,586	30,271
Family Maintenance (Monthly Average)	8,131	7,152	6,695	6,456
Widows' Pension (*Monthly Average*)	2,466**	2,362**	2,241	2,089
Alberta Child Health Benefit	54,921***	62,311***	66,293	68,277

Notes:

* This is a count of the number of families receiving SFI.

**In 1999/00 and 2000/01, caseloads were reported as actual caseloads at year-end. Since 2001/02 and 2002/03, caseloads were reported as average monthly caseloads. Therefore, the 1999/00 and 2000/01 results differ from those reported in the Annual Reports from 2001 onwards.

***The methodology for reporting the average monthly caseloads has changed to reporting actual caseloads at year-end. Therefore, the 1999/00 and 2000/01 results differ from those reported in the Annual Reports from 2001 onwards.

Source: Alberta Human Resources and Employment – Info Pac, Alberta Child Health Benefit.

ANALYSIS

Supports for Independence (SFI) provides assistance to those in need. In 2002/03, there was a 4.7% increase in the number of Albertans receiving assistance. The SFI caseload continues to grow for a number of reasons: more people are moving to Alberta in hopes of finding work, however, they do not have the resources to support themselves until they are employed; the continuing growth in the number of clients who require more long-term intervention to be able to get and maintain employment; the continuing growth of clients who are unemployable due to a multitude of barriers; and increased community awareness of the SFI program to cover emergency benefits such as utility arrears.

An analysis of SFI clients in the Employment and Training categories indicate the majority of these clients require long-term intervention to obtain and maintain employment.

In the wake of higher natural gas and electricity bills as well as utility company practices, the department increased access to emergency assistance available through Supports for Independences, which helped many low-income Albertans pay their overdue utility bills when they received disconnection notices and had no other resources available, ensuring people were not put at risk.

The Assured Income for the Severely Handicapped (AISH) program is intended to provide benefits to persons with severe and permanent disabilities. The AISH caseload rose by 5.9% in 2002/03. The caseload is expected to continue to rise, as a result of the aging population.

The Family Maintenance (FM) program assists parents to obtain child support orders or agreements for dependent children from non-custodial parents. The majority of people served by the FM program are clients receiving SFI benefits. The SFI single parent caseload as a percentage of the total SFI caseload has declined each year since 1999/2000, and there has been a corresponding decrease in the FM caseload.

The Alberta Widows' Pension (WP) helps widows and widowers between the ages of 55 and 64 who have limited financial resources. Although Alberta's population is aging, the number of people receiving WP has decreased by 6.8% over the past year. This is due to a number of factors: the income level of widows is increasing as they have access to private pensions, fewer Albertans are losing their spouse due to increases in life expectancy, and there is a longer attachment to the workforce than in the past.

The Alberta Child Health Benefit (ACHB) addresses a significant barrier faced by low-income parents on assistance who are moving into the labour market, or who are already in the labour market. By providing premium-free health benefits to children in low-income families, ACHB promotes child health and helps families remain independent. Success is demonstrated by an increasing uptake of the program and extending coverage to more low-income families with children. The ACHB caseload grew approximately 3% this past year, which partially reflects the results of a nine-week advertising campaign initiated in January 2003.

Goal 2: Alberta workers have the skills they need to succeed in the labour market

DESIRED RESULT 2.1

Albertans have the skills they need to obtain and maintain employment

STRATEGIES

- Provide programs and services that help Albertans plan and manage their careers
- Provide programs and services that help workers adapt to changes in the labour market
- Continue to deliver employment preparation and support programs targeted at low-income, underemployed and unemployed individuals
- Review and renegotiate transfer arrangements under the Labour Market Development Agreement (LMDA) and Employability Assistance for People with Disabilities (EAPD) Agreement in collaboration with other provinces/territories and the Government of Canada
- Increase availability of skills training that integrates academic upgrading, employability skills, and occupational skills
- Design and develop options to assist low-income Albertans to attend part-time learning so that they can achieve greater success in the labour market

KEY INITIATIVE

- Obtain approval for, and implement the Skills Investments Strategy

DESIRED RESULT 2.2

Albertans who face barriers to employment are able to find work

STRATEGIES

- Continue to support the work of the Minister's Employability Council in achieving its mandate
- Provide employment and training supports for persons with disabilities.
- Continue to participate in the implementation of the seniors policy initiative that assists older workers
- Continue the implementation of the Alberta Youth Employment Strategy that assists young people to make a successful transition to employment
- Obtain approval for and implement a policy framework to improve labour force participation of Aboriginal peoples

KEY INITIATIVES

- Increase employment and training of Aboriginal people through partnerships with industry, Aboriginal organizations, and other governments

KEY PERFORMANCE MEASURE

Percentage of participants employed post-intervention

SUPPLEMENTAL INFORMATION

Number of learners participating in employment/training programs and job placement, and the percentage of participants employed post-intervention by special group type

Our staff in Red Deer had helped find a young SFI client an Alberta Community Employment (ACE) Program position with a local municipality. That person made contacts during her employment term and showed a great deal of dedication to the work that she was doing. Now, only two years later, she is working full-time. The contacts she made during her employment with the City, as well as her excellent references and dedication to her work, all enabled her to qualify for this new position. The provincial government helped her reach her employment goals.

BACKGROUND

2.1 Albertans have the skills they need to obtain and maintain employment.

The Department of Alberta Human Resources and Employment (AHRE) provides a wide range of services to help Albertans prepare for, find and maintain work. These services include the provision of labour market information, career assistance (e.g., career advice, group workshops), career consulting, assessment of work readiness and training needs, referral services, and case management (i.e., assisting clients to move through the transitions to employment).

The Department also provides learners with financial assistance to pursue training. Individuals who are enrolled in an approved program, and have financial need, may be eligible for financial assistance. Employment Insurance (EI) eligible clients may receive Alberta Student Loans and/or grants for skills training or upgrading programs, while non-EI clients receive grant funding for short-term skills and upgrading programs. The Skills Development Program-Memorandum of Understanding (SDP-MOU) defines the respective roles and responsibilities of AHRE and service providers in the delivery of basic education and training for adult learners receiving SDP grants. It constitutes an agreement between the department and providers whereby providers are responsible for selection and case management of students in grant-funded programs for adult learners.

For more information on the FLMM-LMI visit: www3.gov.ab.ca/hre/pdf/forum.pdf

Alberta is the lead province of the Forum of Labour Market Ministers–Labour Market Information (FLMM–LMI) Federal-Provincial/Territorial (F-PT) work to promote the sharing of information and the development of joint labour market information products, services or initiatives and plays an important role in reducing duplication among governments. Alberta as lead province for the FLMM-LMI, co-chairs with Human Resources Development Canada (HRDC) the F-P/T LMI Working Group and houses the FLMM-LMI Secretariat as part of Alberta's co-lead on the F-P/T Action Plan on Data Business Case, which addresses outstanding LMI needs and gaps across Canada at the local, provincial and national level.

RESULTS

STRATEGIES

Provide programs and services that help Albertans plan and manage their careers

Department staff across Alberta offered Career Fairs in their communities, such as the Edmonton Canada Career Week Fair in November 2002, which had approximately 6,000 attendees, with 115 exhibitors booths.

Resource Centres were developed in outlying communities, including Provost, Coronation, Olds, Leduc and Sherwood Park. The Canada-Alberta Job Order Bank implemented a web-based service for employers to enter their own job postings, instead of providing their information to AHRE staff via telephone.

Staff in each of AHRE's six regions continue to evaluate and review their programs and services to enhance access and to ensure the right service is provided at the right time, based on current labour and client need. As well, career counselling tools and testing materials have been reviewed and updated, and new materials were acquired for Albertans to use.

Provide programs and services that help workers adapt to changes in the labour market

Regions have a strategy in place to respond to referrals, many from Employment Standards, where calls may come in about planned layoffs. Information packages and onsite information presentations are available for Albertans affected by layoffs. Workforce adjustment services were provided to a number of employers in Alberta to assist in determining the future service needs of the employees, and to contribute to a smoother transition. Opportunities include additional education, training, and employment in other sectors.

In addition, due to the implementation of Appliweb, an on-line Employment Insurance application, regions are reviewing strategies to encourage EI recipients to access Labour Market Development Agreement programming, such as skills training or upgrading programs.

Continue to deliver employment preparation and support programs targeted at low-income, underemployed and unemployed individuals

Many Albertans receive services from AHRE to assist in their labour market planning, education/training and job search. Over the last year, programming for upgrading, English as a Second Language (ESL), employability, integrated training and occupational skills have been offered to Albertans enhancing their opportunities for employment.

Summer Temporary Employment Program employers are expected to provide continuous full-time employment of 20 to 40 hours a week for a minimum of six weeks. STEP funding contributes $4.50 per hour, plus 10 percent toward salary costs.

"STEP will be helping Albertans gain skills and experience for their future success in the workplace by providing opportunities with community service organizations, summer festivals, and other eligible employers."
–Minister
Clint Dunford

For more information on the LMDA visit: www3.gov.ab.ca/hre/lmda/index.asp

The Department of AHRE approved approximately 3,800 Summer Temporary Employment Program (STEP) positions and has processed 19,000 Student Funding applications.

In the Edmonton region, presentations were provided to Economic Development Edmonton (EDE), Aboriginal Human Development Resource Agreement (AHDRA) holders and the Métis Nation of Alberta (MNA). In central Alberta, community consultations were held and the review resulted in new programs, such as training in purchasing and receiving and in construction trade safety. To reflect changes in the workforce and to meet labour market demands in Slave Lake, exposure courses were added for jobs as a flag person, in food safety and Petroleum Industry Training Services (PITS).

Partnerships are key to the success of this strategy. The Department of AHRE works with training providers, industry, Aboriginal people, associations, etc. to achieve results.

Review and renegotiate transfer arrangements under the Labour Market Development Agreement (LMDA) and Employability Assistance for People with Disabilities (EAPD) Agreement in collaboration with other provinces/territories and the Government of Canada

The Canada-Alberta Labour Market Development Agreement (LMDA) was signed in 1996. It makes Alberta's delivery of EI retraining benefits, work search, and career planning services for EI recipients possible. The goal of the LMDA is to provide EI recipients with training and support so they can enhance their skills and return to work faster. The province's efforts to return EI clients to work resulted in savings of approximately $151 million[28] to the Employment Insurance account. The summative evaluation of the LMDA was being undertaken in collaboration with Human Resources Development Canada (HRDC). The Department of AHRE continued to press HRDC to discuss improving the agreements.

The Canada-Alberta Employability Assistance for Persons with Disabilities (EAPD) Agreement is a bilateral agreement whereby the federal government contributes approximately $22 million toward the cost of eligible Alberta programs and services that help persons with disabilities prepare for, find and maintain employment. The EAPD Agreement covers programs provided by the Department of AHRE, Alberta Mental Health Board and Persons with Developmental Disabilities Board. The EAPD Agreement has been extended for the 2003/04 fiscal year.

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[28] This number is preliminary (as at the end of March 2003), as reported in the Human Resources Development Canada Monitoring and Assessment Report to Parliament produced in the spring of each year.

Increase availability of skills training that integrates academic upgrading, employability skills, and occupational skills

During the past year, staff has been working with training providers to further develop the integrated training model and other related occupational training. Both training providers and staff are in agreement with the Integrated Employability Skills Training and Integrated Occupational Skills Training model. This training will be offered in 2003/04. In 2002/03, AHRE had 20 Integrated Training programs approved for training throughout the province.

All regions in Alberta continue to provide labour market information and other supports, including the integrated training programs.

Design and develop options to assist low-income Albertans to attend part-time learning so that they can achieve greater success in the labour market

Giving low-income Albertans more opportunities to attend part-time learning is a key factor in achieving their success in the labour market. Work on part-time learning options has progressed based on consultations with stakeholders including AHRE staff, employers and training institutions. These consultations were held in December 2002 and February 2003. Draft guidelines have been completed.

A few years ago, a teenager who was on the streets, was given assistance from AHRE staff. With ongoing support and tutoring from Disability Related Employment Supports (DRES), she is now doing high school upgrading and getting honors marks. She is now off the streets and on her way to being self-sufficient.

KEY INITIATIVE

Obtain approval for, and implement the Skills Investments Strategy

The Department developed and is implementing a Skills Investments Strategy to respond to skills shortages. The strategy is designed to help people prepare for work, adjust to career and work changes and develop skills needed in the workplace.

In 2002/03, accomplishments included the:

- development and validation of a strategic direction in consultation with stakeholders
- development of a new program configuration consistent with the validated strategic direction
- development of a new accountability model for third party delivery
- development of a strategy to help low-income Albertans who do not have the skills to be fully self-sufficient
- design of part-time training initiatives

Three major working/planning sessions were held with stakeholders to discuss implementation of policies.

For more information on the Skills Investments Strategy visit: www3.gov.ab.ca/hre/pdf/si_highlights.pdf

BACKGROUND

2.2 Albertans who face barriers to employment are able to find work.

For more information on DRES, visit:
www.gov.ab.ca/hre/dres

The Disability Related Employment Supports (DRES) program addresses barriers to employment for Albertans with disabilities. Job search, workplace and educational supports are provided. Assistive technology, including talking dictionaries and Braillers, is also available to assist clients at work and school.

The DRES Policy Manual was finalized and made available to all stakeholders. Training for Alberta Government employees, service providers and post secondary institutions was given in the fall with an emphasis on provision of DRES in the workplace.

RESULTS

STRATEGIES

Continue to support the work of the Minister's Employability Council in achieving its mandate

The report entitled "Breaking Barriers: Enhancing Employment Opportunities for Persons with Disabilities" was produced by the Minister's Employability Council and accepted and approved by the Minister and the government. This report recommends actions to address two main goals, increasing awareness and improving service delivery, as well as other areas for action. The Department of Alberta Human Resources and Employment (AHRE) is developing and implementing a three-year plan to address the approved recommendations.

Provide employment and training supports for persons with disabilities

Special employment and training responses were designed to assist those who face barriers to employment. For example:

- A partnership with Alberta Health and Wellness to provide training and support to common clients in High Level, Peace River and Grande Prairie areas, and with Persons with Developmental Disabilities in Whitecourt.
- Over 52 Alberta Community Employment (ACE) positions were created for persons with disabilities. ACE is an employment program for Supports for Independence (SFI) or Assured Income for the Severely Handicapped (AISH) clients who have been unable to find work in a competitive labour market. The six-month program provides Albertans with the opportunity to improve their job skills and gain valuable work experience, while funding projects with non-profit societies, municipalities, hospitals and

schools. ACE has an individually tailored program for AISH recipients who want to work part-time

- Sign language, specialized assessments and contracts have been made available for AISH clients looking for employment
- The Career Information Hotline provided information on Employment Services for persons with disabilities by distributing alternate formats, such as Braille, audio and large print

Continue to participate in the implementation of the seniors' policy initiative that assists older workers

The seniors' policy initiative was integrated into other initiatives and strategies. The Department of AHRE developed "A Guide for Midlife Career Moves", a publication to help Albertans aged 45 years and older with their work search. The Department of AHRE also monitored the participation of older workers in the labour market and increased the awareness of the needs of older workers.

Older workers (aged 45 and over) filled 86.6% of new jobs created in 2002. Older workers accounted for 33% of Alberta's labour force in 2002. The unemployment rate for workers aged 45-64 in 2002 was 3.4%. A low unemployment rate for older workers is expected for the next few years.

Continue the implementation of the Alberta Youth Employment Strategy that assists young people to make a successful transition to employment

In northwestern Alberta, placements were developed within the Alberta Youth Employment Strategy (AYES) between the Alberta Job Corps (AJC) and Human Resources Development Canada (HRDC).

In June 2002, Careers in Motion, a mobile Labour Market Information Centre (LMIC), began touring the province. Careers in Motion is a project of AHRE's Northwest Region in Slave Lake and provides visitors in communities with access to career and employment information, computers, printers and high quality wireless Internet service to conduct job searches and research. Last year, Careers in Motion visited festivals, fairs and other events across Alberta. The 1975 motor home was transformed into a mobile LMIC by staff and trainees at the Department's AHRE's Northwest Alberta Job Corps. Trainees in the Job Corps, who are Supports for Independence (SFI) benefit recipients, gained valuable work experience during the project.

For more information on Careers in Motion, visit: www.gov.ab.ca/hre/cim

A worksite safety for youth "pick up and go kit" was developed and distributed as a resource for teachers. The highest rate of workplace injury is among young workers, many of which are youth. This worksite safety kit is intended to educate youth about workplace safety and workplace hazards before they enter a job site.

Programs and services are continually adjusted to meet the needs of youth and to meet local needs. High school students and educators continued to rely on AHRE career and labour market information resources and services, such as the ALIS Web site and relevant publications.

The Youth Connections initiative is continuing to grow and expand services to youth throughout Alberta. There is more involvement in mentorship activities

Alberta is currently home to 211,500 people between the ages of 15 and 24. That number is expected to grow to 227,000 by 2006.

and cross-ministry initiatives that are designed to help our young people to achieve success. Beyond Youth Connections, one of the most prominent strategies is the Youth in Transition initiative, co-chaired by the Department of AHRE.

For more information on Youth Connections, visit:
www3.gov.ab.ca/hre/youthconnections

The numbers of young people accessing Youth Connections services has increased and it is expected that this trend will continue. The partnerships formed with industry have also grown much stronger as employers recognize the need to invest in youth.

Messages about safety and employment standards continue to be disseminated for the knowledge and protection of Alberta's young workers. The Department of AHRE works closely with the Workers' Compensation Board-Alberta to educate and help to protect youth on the job. In addition, Workplace Investments within AHRE works closely with the Youth Connections offices to assist clients to be safe and to know their rights and responsibilities.

Obtain approval for and implement a policy framework to improve labour force participation of Aboriginal peoples

Fifteen First Nations Training to Employment projects were initiated in 2002/03 under the "First Nations Training-to-Employment Partnership Program". Training is being provided in construction trades, oil and gas industry, pre-employment training and career planning for youth, contracted specifically for Aboriginal clients. The Southern Alberta Institute of Technology and Bow Valley College are providing trades training for Aboriginals.

Projects are currently under development or in discussions with various First Nations:

- **the development of a security officer training project with Alexis, Alexander and Paul Band;**
- **an oilfield truck drivers project with Kehiwin, Heart Lake and Cold Lake;**
- **an Environmental Technician project with Siksika;**
- **construction trades projects for road building and commercial property, cooks helper and hospitality industry training with Enoch First Nation.**

A number of relationships were established and contracts were signed with Aboriginal organizations and First Nations. An employment initiative contract has been signed with Siksika Nation. As well, a Memorandum of Understanding (MOU) was initiated with Region 111 Council of the Métis Nations of Alberta, Treaty 7 and Treaty 6 to provide employment and training services to Aboriginal clients in Red Deer. An Aboriginal pre-apprenticeship program and Joint Planning Committee were established with the Oteenow Employment and Training Society and the Métis Nations of Alberta.

The Northeast and Northwest regions of AHRE organized and hosted the second Aboriginal Human Resources Development Agreement holders/ Alberta Human Resources and Employment (AHRDA/AHRE) workshop in November 2002 with 150 participants. The theme of the workshop was "Working Together Works", and discussion was held on: the need and value of a common assessment tool, the training and employment issues youth and persons with disabilities are facing today and options for improvement. As a result of the workshop, working groups/steering committees were established, and communication linkages and partnerships unique to the local service areas and client needs were created or improved.

KEY INITIATIVES

Increase employment and training of Aboriginal people through partnerships with industry, Aboriginal organizations, and other governments

The Department of AHRE's Aboriginal policy strategy was introduced to ensure the programs and services delivered by AHRE recognize and reflect the requirements of Alberta's Aboriginal population. This strategy represents a vision for the co-ordinatedd approach to human resource planning for Alberta's Aboriginal population.

For more information on the Aboriginal Policy Strategy, visit: www3.gov.ab.ca/hre/pdf/path.pdf

In addition, the First Nations Training-To-Employment Partnership Program was introduced in September 2002. This program is designed to assist First Nations people who are unemployed or underemployed develop the skills needed for sustained employment in occupations with long-term employment prospects.

For more information on the First Nations Training-To-Employment Program, visit: www3.gov.ab.ca/hre/firstnations/index.asp

Assess and analyze delivery of current programs, and identify areas for improvement

Feedback was sought from front line AHRE workers within Delivery Services division through six group sessions and surveys. A South Region staff member facilitated the group sessions (one in each region). Approximately 90 AHRE staff had the opportunity to discuss service delivery in the department. This information was supplemented with the results of the email survey, which was distributed to all Delivery Services division staff. The resulting suggestions and recommended actions will be considered in the development of new delivery models and program designs.

PERFORMANCE MEASURES

Employment and training programs and Job Placement services provide clients with supports necessary to quickly re-enter the workforce. These programs are usually one year or less in duration.

Learners	2000/01	2001/02	2002/03
Total number of learners*	41,768	41,112	43,172

Note:

* Includes funded and self-sponsored learners.

Source: The Department of Alberta Human Resources and Employment.

KEY PERFORMANCE MEASURE

2.1 Percentage of participants employed post-intervention

Programs*	1999/00 Percent Employed	2000/01 Percent Employed	2001/02 Percent Employed	2002/03 Percent Employed
All Programs (weighted average)	72%	75%	74%	72%
Overall Employment Target	70%	70%	70%	70%

Notes[29]**:**

*With the exception of apprentices, participants are followed up 3 or 6 months post-intervention. The results for apprentices are based on a survey conducted every two years. The survey was conducted in 1998/99, 2000/01 and 2002/03.

Sources: Alberta Human Resources and Employment, Alberta Learning, and Human Resources Development Canada.

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[29] **Sources of information are as follows:** Alberta Learning – Student Finance System Reports.

Alberta Learning, Graduates of Apprenticeship Satisfaction Survey, 2002. Results are based on 3,216 telephone interviews with graduates.

Alberta Human Resources and Employment – Work Outcome Reporting Project (WORP). This is a census survey of all Short-Term Skill (non-Apprentices) and Basic Foundation Skills Training program leavers who are followed up by an independent contractor at either three months (LMDA clients) or six months after leaving the program. This is an ongoing project. Data presented includes follow-up data as of May 29, 2003, (total of 3,866 respondents).

Alberta Human Resources and Employment – Career Assistance Information System (CAIS), Training Program and Employment Service Results Clients in Job Placement, Self-Employment, Skills for Work, and Training on the Job programs; employment results for these programs are reported by contracted agencies.

The number of Apprentices is from Human Resources Development Canada – HRDC March 2003 Results Dataset Analysis.

ANALYSIS

Over 43,172 learners participated in Job Placement, Self Employment, Skills for Work, Training on the Job, Skills Training, Basic Foundation Skill Training interventions, and Temporary Employment Programs in 2002/03.

The overall employment results of Albertans who participated in employment and training programs and Job Placement was 72%, exceeding the target by two percentage points. A strong economy is a key determinant of whether individuals obtain work once they are trained. Results may also vary between years and programs, depending on the types of clients entering the programs. For example, Employment Insurance (EI) clients have more recent work histories that help their return to the labour market. Individuals unable to find work in today's favourable economic conditions often face multiple barriers, which require intensive investments.

SUPPLEMENTAL INFORMATION

2.1 Number of learners participating in employment/training programs and job placement

Percentage of participants employed post-intervention by special group type

	2000/01		2001/02		2002/03	
Special Group *	# of Learners	% Employed	# of Learners	% Employed	# of Learners	% Employed
Youth (ages 16-24)	22,045	81%	16,961	80%	19,174	79%
Aboriginal**	6,321***	58%	5,373***	47%	5,623	51%
Persons with Disabilities**	2,259***	68%	1,933***	59%	1,877	54%
Older Workers (ages 45 and up)	n/a				5,533	67%

Notes:

* Individuals may be counted in more than one group.

** All numbers for Aboriginal learners and learners with disabilities are preliminary and subject to refinement, and refer to only those clients in employment/training programs and job placement and those who have identified themselves as a member of a special group. Aboriginal respondents and learners with disabilities are self-reported.

*** Does not include Temporary Employment Programs (TEP) participants. Persons with Disabilities are self-reported.

Source: Alberta Human Resources and Employment.

ANALYSIS

The volume of usage of these services by special group type is an indication of the demand for AHRE's programs and services among population groups in Alberta.

For youth (ages 16 – 24) participating in AHRE's employment and training programs and Job Placement, 79% were employed post-intervention, a small decrease over last year. These numbers can be interpreted in light of statistics for the overall Alberta population. A year-to-year comparison (March-02 to March-03) shows that the unemployment (unadjusted) rate for youth ages 15 – 24 decreased from 10.9% to 9.3%.[30]

The baseline results for older workers (ages 45 and up) show that 67% of participants were employed post-intervention. At the same time, the unadjusted unemployment rate for older workers (aged 45-64) increased from 3.3% to 4.8% between March-02 and March-03.[31]

The number of Aboriginal participants employed post-intervention increased by four percentage points between 2001/02 and 2002/03 from 47% to 51%.

The number employed post-intervention for persons with disabilities has continued to drop over the past three years. The Alberta economy continues to be strong and employers have an ongoing need for employees. The gradual increase in awareness of the abilities of people with disabilities and more people with disabilities entering the workforce without the assistance of AHRE are leading factors for the drop. At the same time, people with disabilities served by AHRE via various programs are becoming more highly barriered, making their ability to reach employment a greater challenge.

A new calculation on the Youth Connections section of the AHRE Web site allows you to predict when you might become a millionaire. This feature was implemented for several months and contributed to the more than 300,000 pages browsed each month on AHRE's Internet site. Youth Connections can be found online at www3.gov.ab.ca/hre/youth connections

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[30] Annual (January-December) average unadjusted unemployment rates. Source: Labour Force Survey, Statistics Canada.

[31] Annual (January-December) average unadjusted unemployment rates. Source: Labour Force Survey, Statistics Canada.

Goal 3: Albertans have quality workplace and labour market information

DESIRED RESULT 3.1

Albertans have access to quality information on workplace, and labour market needs and opportunities

STRATEGIES

- Develop, promote and provide career and labour market information products and services
- Report on Alberta's labour market trends and forecasts
- Partner with business, industry, communities and other jurisdictions to share information about the knowledge and skills that will be required in the workplace
- In partnership with Alberta Learning, continue to support and expand the Alberta Learning Information Service (ALIS), a Web site providing information and services for Albertans seeking learning, career or employment opportunities
- Develop and distribute workplace safety and employment standards information aimed at inexperienced workers
- Provide workers and employers with access to workplace health and safety information

KEY INITIATIVE

- Establish the department as the primary source for career and labour market information

KEY PERFORMANCE MEASURE

Percentage of clients satisfied with workplace and labour market information

SUPPLEMENTAL INFORMATION

Use of workplace, career and labour market information services

Staff reviewing one of the many information resources developed by People, Skills and Workplace Resources branch.

BACKGROUND

Alberta Human Resources and Employment (AHRE) provides a large variety of workplace and labour market information to Albertans.

As Albertans access labour market information, they become more knowledgeable about career and labour market opportunities, they are better able to assess their skills and interests, build a career plan, and connect to further learning and employment. Information is primarily provided through Labour Market Information Centres, the Career Information Hotline, numerous career and labour market information publications, the ALIS Web site, individual career and employment counselling, workshops, and community presentations and displays.

ALIS's Web site can be found on the Internet at: www.alis.gov.ab.ca/main.asp

RESULTS

STRATEGIES

Develop, promote and provide career and labour market information products and services

The following career and labour market publications were produced in the 2002/03 fiscal period:

- *Looking for Work* for adults with low literacy
- *Seekers and Storytellers* book and poster featuring Aboriginal role models, stories about their career paths, and links to other helpful career, learning and labour market information resources
- *Diversity: Human Resource strategies for employers*
- *EDINFO*, listing of Alberta post-secondary programs and Western Canadian post-secondary distance learning programs
- *The Investigator 2002*, listing helpful telephone numbers and Web sites related to workplace, career and learning topics
- *It's About Time to choose a post-secondary program*, outlining post-secondary programs and institutions in Alberta
- *Alberta Careers Update*, providing labour market trends and forecasts, as well as growth projections in hundreds of Alberta occupations
- *Job Smart*, tips for staying employed
- *A Guide to Midlife Career Moves*, for jobseekers aged 45 years and older
- *Making Sense of Labour Market Information*, explains how to plot a career, learning or employment path using everyday information sources such as news, the Internet, magazines, and conversations
- *Finders + Keepers: Recruitment and Retention Strategies*, one of a series of publications for Alberta employers

These publications are promoted and provided at all 27 LMICs. They can also be downloaded or ordered online through www.alis.gov.ab.ca/careershop, ordered through the Learning Resource Centre or the Career Information Hotline.

Report on Alberta's labour market trends and forecasts

A wide range of reports was produced in 2002/03. The Alberta Modified Canadian Occupational Projection System (COPS) was updated and released. This study covered approximately 500 occupational clusters under the National Occupational Classification (NOC) system. The Labour Market Outlook and the *2002 Annual Alberta Labour Market Review* were released, and a Train the Trainer session was designed for AHRE staff. Several labour market information publications were completed for employers, older workers and other job seekers.

Stakeholders' networks were contacted and information was gathered to provide context and data for labour market trends. This included a network of government economists, to ensure economic indicators used in publications and projections were reflective of the Alberta economy. AHRE participated in the cross-government committee on the impacts of Kyoto in relation to the Alberta labour market.

A variety of labour market presentations were given across the province for staff, service providers, clients, employers, post-secondary institutions, professional associations and aboriginal organizations. Further, highlights from the Labour Market Outlook presentation were included in conference packages for the Calgary and Edmonton teachers' conventions.

Partner with business, industry, communities and other jurisdictions to share information about the knowledge and skills that will be required in the workplace

The Department shared information in a number of ways:

- Consulted with end users of the collective bargaining publications to determine their satisfaction with the publications
- Consulted with industry representatives when updating the industry profiles for career publications
- Marketed the wage and salary survey results to Alberta employers.
- Surveyed a select number of employers across Canada to determine their starting salaries in relation to provincial minimum wage rates.
- Partnered with the Construction Owners Association to undertake a construction forecast
- Presented labour market outlook to a number of industry, post secondary institutions and community associations
- Updated and developed new Alberta occupational profiles, with information on duties, required training and salary ranges

In addition, AHRE consulted with experts in all three levels of government regarding their knowledge of the Alberta labour market, and provided information when gaps were identified.

Further, regions throughout Alberta continue to work at improving the information available to employers. For example, the Edmonton region produced a semi-annual report, which includes regional occupational forecasts, and they have developed linkages with the Leduc and Edmonton Economic Development Associations. In the Calgary region, employer focus groups were held with the Information Technology sector and with the hospitality and construction sectors to review workforce adjustment impacts in those sectors.

Consistent and accurate information on Workplace Health and Safety (WHS) legislation is provided to employees and the general public through the provincial call centre. Immediate referrals are made to WHS investigators on issues that require immediate attention.

Canada Career Week is a national event occurring annually in the first full week of November. The purpose is to promote awareness of: career opportunities; career development concepts and materials; and community agencies available to assist individuals in making career decisions. The 2002 theme was *Focus on the Journey: Believe in Yourself.* This theme and the activities not only concentrated on making career planning information and advice available, but also placed an emphasis on teaching people how to trust in their own abilities and talents – to make the right career choices for them.

Canada Career Week events included speakers' forums, career fairs, information displays and workshops. Throughout the province, unique activities were organized: daily LMIC tours; daily speakers; *Take Our Kids to Work Day* for Grade 9 students; free treats, coffee and a chat with career counsellors; displays at local libraries; "Kick Start Your Career" presentations for parents and teens; and a scavenger hunt of the ALIS Web site. Aboriginal professionals, agencies, career practitioners, clients, youths, elders and staff also had an opportunity to share in the success stories of three speakers on the subject of career planning and opportunities. The session was entitled *Career Journey for persons of Aboriginal Descent; Path of the Buffalo.*

In partnership with Alberta Learning, continue to support and expand the Alberta Learning Information Service (ALIS), a Web site providing information and services for Albertans seeking learning, career or employment opportunities

The ALIS Web site attracted more than 1.4 million visitor sessions in 2002/03, far surpassing expectations.

The following enhancements were made to the ALIS Web site during 2002/03:

- Design of Web site featuring 500 occupational profiles (OCCINFO) was improved to increase usability
- Design of Web site featuring Alberta's post-secondary programs (EDINFO) was improved to increase usability
- E-subscription for newsletter and flyer was developed and implemented. All People, Skills and Workplace Resources (PSWR) publications for the public are now available on-line
- On-line ordering system for PSWR resources was enhanced

get connected
1-866-415-8690
www.whs.gov.ab.ca

For the last six years, Edmonton has held a Career Fair as part of the annual Canada Career Week, a national event. Edmonton's 2002 Fair featured bold new innovations designed to add value for both participants and exhibitors.

The Edmonton Career Week Fair 2002 was a Bronze Award Recipient for the Premier's Award of Excellence.

This year, Career Week Activities in Calgary included a forum for Persons with Disabilities, during which four speakers addressed how they had overcome barriers and how their career path has led them to professional and personal success.

LEARNING
EMPL

Glen Murphy shares openly his career story to an audience of 130.

- More video clips on occupations were posted on ALIS
- On-line Facilitator's Guide to PSWR resources was developed and posted on ALIS

In addition, 1,200 ALIS users (students, job seekers, AHRE's clients, educators and career practitioners) were surveyed for their views on enhancing the Web site to ensure ALIS is useful, relevant, and user-friendly.

Develop and distribute workplace safety and employment standards information aimed at inexperienced workers

The Department of AHRE co-sponsored the 2002 Heads Up campaign targeted at 18-24 year olds. The province-wide campaign included radio commercials, posters in restaurants, bars and worksites, and newspaper and employer magazine advertising. The campaign asked youth to "spot the new guy". The campaign reinforces the message to both workers and employers that young, new and inexperienced workers are at risk of being injured during their first year on the job. The fourth annual Heads Up campaign was the result of a partnership between AHRE, the Alberta Construction Safety Association, the Manufacturers' Health and Safety Association, and the Workers' Compensation Board-Alberta.

Distribution of the *X-treme Safety* booklet continued. This booklet is in high demand, as over 60,000 copies were distributed. A "New and Young Workers" web page on the AHRE Web site was updated as new information was released. The Web site contains information such as "Ten questions to ask your employer", "Ten job tips for teens" and "Employment Standards for younger workers". This web page had over 1,800 page requests per month.

The Job Safety Skills Society partners with industry, education and government to provide young people with workplace safety training and education before they enter the workforce. The Department of AHRE continues to support the Job Safety Skills Society by sitting on the Board of Directors and participating on committees. The Society's JobSafe program provides extensive school-based safety education. Since Alberta Learning approved the JobSafe program in 1995, over 10,250 students have graduated with a Certificate of Competency. Currently, 567 schools in Alberta, Saskatchewan, and the Northwest Territories offer JobSafe.

Provide workers and employers with access to workplace health and safety information

The Work Safe Alberta campaign, launched in January 2003, involves TV and print advertisements, posters, video clips on the Web site, and written materials. The launch of this campaign increased the number of visits to the Workplace Health and Safety (WHS) Web site by over 56.7%[12].

As well, the *Occupational Health and Safety Regulation and Code*, and its explanation, became available to stakeholders in print form and from the WHS Web site.

HEADS UP
work smart. work safe.

The X-treme Safety booklet can be found on the Internet at: www3.gov.ab.ca/hre/whs/workers/xtreme.asp

Occupational Health & Safety Magazine **is published three times a year, in January, May and September. Magazine policy is guided by an Advisory Board consisting of industry and government representatives.** *Occupational Health & Safety Magazine* **can be found on the following Web site: www3.gov.ab.ca/hre/whs/publications/ohsmag.asp**

WHS can be contacted through their Web site at: www.whs.gov.ab.ca, or by phoning: 1-866-415-8690.

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[12] Pre-launch average number of visits per month was 15,756 (April – December 2002) and post-launch average number of visits per month was 24,693 (January – March 2003).

ALIS's Web site can be found at: www.alis.gov.ab.ca

THE BEGINNING IS NEAR
Alberta
We have the information you need
www.alis.gov.ab.ca
1 800 661-3753

What Works – Alberta

Canada

Alberta

KEY INITIATIVE

Establish the department as the primary source for career and labour market information

The Department of AHRE has undertaken a number of activities to achieve this key corporate initiative. For example, the ALIS Web site was enhanced to increase usability and all People, Skills and Workplace Resource publications are now available via the Web site. The "Call, Click or Come In" message continues to be promoted.

The fourth issue of the "What Works-Alberta" newsletter shared information on effective practices to ensure Aboriginal people are ready to play an increasingly important role in Alberta's labour market.

A province wide "What Works" conference was held in February 2003, offering staff and service providers' opportunity to discuss effective practices in relation to Alberta's workforce.

PERFORMANCE MEASURES

KEY PERFORMANCE MEASURE

3.1 Percentage of clients satisfied with workplace and labour market information

Workplace/Labour Market Information	1999/00	2000/01	2001/02	2002/03	Target
Labour Market Information Centre Services	99%	97%	95%	94%*	95%**
Customer Satisfaction with information materials and tools***	96%	n/a	96%	n/a	n/a
Career Information Hotline***	95%	n/a	96%	n/a	n/a
Career Development Workshops	88%	88%	89%	89%	85%

Notes[11]**:**

*The difference between the 2001/02 and 2002/03 results is not statistically significant. In fact, those very satisfied with services rose by 3% in 2002/03.

** Note that one new LMIC was opened in 2002 (Edmonton North Service Centre) and this was included for the first time in the 2002/03 client survey.

*** Satisfaction surveys for Career Information Hotline and customer satisfaction with information materials and tools are conducted biennially.

Source: The Department of Alberta Human Resources and Employment.

ANALYSIS

Client satisfaction with workplace and labour market information is a measure of the quality of services provided. Client satisfaction with Labour Market Information Centre (LMIC) services continues to be high. The 27 LMICs in Alberta provide various levels of service including:

- Job banks and electronic labour exchange
- Use of computers for word processing résumés and cover letters and use of Internet for career planning and work search
- Application assistance and advice, and
- Information on AHRE programs, services, and other community resources

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Further Notes: Alberta Human Resources and Employment – Labour Information Centre Client Satisfaction Survey 2002/03. An independent contractor contacted these respondents about their satisfaction with information and services received during the past year. A total of 2,776 clients participated in the survey in August and November 2002.

Alberta Human Resources and Employment – Work Outcome Reporting Project (WORP). This is a sample survey of Career and Employment Assistance Services (CEAS) workshop participants who are followed up by an independent contractor six months after leaving the program. This is an ongoing project. Data presented include follow-up data on the question regarding overall satisfaction with the workshop. Under WORP, 1,071 individuals who had participated in CEAS during 2002/03 were contacted. 300 of these individuals participated in workshops. The estimated response rate for the WORP CEAS survey is 60%.

What is the difference between a visit, a hit and a page request?

- **A visit is defined as the number of visits to pages with the specified directory. A visit is a series of actions that begins when a visitor views their first page from the server, and ends when the visitor leaves the site or remains idle for more than 30 minutes. It is the most robust of the measures.**
- **A hit is counted for every component of a web page, including graphic elements. It is also counted for every web page viewed.**
- **A page request/page view is a hit to any file on the web page (html, pdf, etc.). This is useful when learning what information users/visitors are specifically looking for.**

The target for Career Development Workshops was exceeded this year, with 89% of respondents satisfied or very satisfied with the services they received. Career Development Workshops are offered at the LMICs. These workshops are delivered on the subjects of:

- Career Planning
- Educational Planning
- Job Satisfaction
- Job Search
- Labour Market Information
- Orientation
- Self Assessment and Personal Development, and
- Work Alternatives.

Note that improvements in the method(s) used to assess satisfaction yielded results that are not fully comparable to previous years.

SUPPLEMENTAL INFORMATION

3.1 Use of workplace, career and labour market information services

Information Services	2000/01	2001/02	2002/03
Career Counselling Sessions	36,035	36,275	42,588
Group Workshop Participants	37,932	39,018	40,224
Labour Market Information Centre (LMIC) Visits	830,003	1,005,246	1,361,249
Career Information Hotline Requests	30,063	30,374	31,284
ALIS Web site User (Visitor) Sessions	944,519	1,238,965	1,486,341
Number of Career-Related Products Distributed	665,441	638,347	797,677
Canada-Alberta Job Order Bank (Job Orders)	54,864	52,392	55,737
Employment Standards Contact Centre*	184,097	178,284	165,781
Workplace Health and Safety Contact Centre*[14]	8,331	27,663	25,473
Workplace Health and Safety Web site (Visitor) sessions[15]	n/a	n/a	215,616
Employment Standards Web site (Visitor) sessions [16]	n/a	n/a	177,339

*Formerly called Call Centre. However, the data continues to be based on calls received.
Source: The Department of Alberta Human Resources and Employment.

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[14] Launched January 2001.

[15] Launched January 2001. Note: Workplace Health and Safety Web site visitor sessions were not collected prior to 2002/03, when software was purchased to allow for this data collection. Number of Web site hits was previously collected, but is not comparable to visitor sessions.

[16] Employment Standards Web site visitor sessions were not collected prior to 2002/03, when software was purchased to allow for this data collection. Number of Web site hits was previously collected, but is not comparable to visitor sessions.

ANALYSIS

The number of People, Skills and Workplace Resource services (formerly called Career and Labour Market Information services) is an indication of the demand for access to this type of information.

During the 2002/03 fiscal year, there was a greater demand for career counselling sessions and group workshops. Usage of LMIC's, requests made on the Career Information Hotline, and the number of ALIS Web site user (visitor) sessions also increased. The increase in the number of visits to LMICs is, in part, a result of an enhanced marketing campaign, the opening of new resource centres and the addition of one new LMIC. An increase in the number of Career Information Hotline requests was expected, as promotional show tours were undertaken across the province this year.

The ALIS Web site, a partnership with Alberta Learning, provides information on career choices, post-secondary education and training, educational funding, job search, and labour market trends. This past year, technical features were improved to allow search engines to find ALIS more quickly and with more ease. Effective marketing is expected to continue to result in increased awareness about ALIS and the number of people accessing this site is expected to continue.

Career related products are now available via ALIS and the number of information resource products ordered and distributed increased in 2002/03. This is likely due to increased communication about new products; the training AHRE staff have received to effectively use the products with clients, and the relevance and high quality of the products produced.

The Canada-Alberta Job Order Bank Service (JOBS) is used by both individuals looking for work and by employers who post their job advertisements. JOBS usage increased in part because employers are now able to post their ads themselves via the Web site rather than fax or call their ads in. In 2002, the highest volume of Alberta ads were posted since the Labour Market Development Agreement was signed in 1996. Satisfaction with the Job Order Bank increased from 68% in 2001 to 81% in 2003.[17]

The Employment Standards Call Centre and Workplace Health and Safety Call Centres were renamed this year as Contact Centres to reflect the range of lines of service they offer, from Web site, to Call Centre, to fax and e-mail contacts. The Employment Standards Contact Centre experienced a 7.0% decrease in the number of calls offered. However, there was a 43% increase in the number of e-mail inquiries received over 2001/02 (3,842 e-mail inquiries were received in 2002/03). Another service option is the Employment Standards Web site, where 177,339 visits were logged in 2002/03. Callers this year reflect more complex levels of inquiry: callers accessed self-serve options (fax back, recorded messages, Web site) and requested more complex interpretations.

In February, a professional-looking woman started using one of our Resource Areas. Recognizing her after a few visits, one of our career counsellors went to talk to her. She was looking for work, but feeling that she was not successful in getting a clerical position because she was in her 60s. At a community event, the same worker ran into a potential employer. She mentioned this candidate and found there was indeed an opening. The person got an interview…and was hired. Age was not an issue with the employer.

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[17] A satisfaction survey was not conducted in 2002.

The Workplace Health and Safety Contact Centre received 7.9% fewer calls this year over last year, which reflects a change in line of service preferences by the public, as there was an increase in e-mail activity of about 35%.

While the number of visitor sessions to the Workplace Health and Safety Web site was not collected prior to this year, the average number of visits per month between January and March 2003 was close to double the number of visits in the previous nine months. In particular, the launch of the Work Safe Alberta initiative increased site visits by approximately 56.7%.[15]

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[15] Pre-launch average number of visits per month was 15,756 (April – December 2002) and post-launch average number of visits per month was 24,693 (January – March 2003).

Goal 4: Alberta has a fair, safe and healthy work environment

DESIRED RESULT 4.1

Alberta workplaces are safe and healthy

STRATEGIES

- Promote the development of effective worksite health and safety systems through the *Partnership in Health and Safety Program*
- Target poor health and safety performers for inspection, and investigate incidents and reported complaints

KEY INITIATIVES

- Introduce and implement regulatory changes under *the Occupational Health and Safety Act*
- Hold a province-wide forum on Workplace Health and Safety
- Implement the new accountability framework, improved decision-making and governance of the Appeals Commission for Alberta Workers' Compensation in collaboration with the Workers' Compensation Board-Alberta (WCB) and the Appeals Commission

DESIRED RESULT 4.2

Labour and management are able to resolve disputes effectively

STRATEGIES

- Help organizations develop relationships through better communications, problem solving and labour-management co-operation
- Provide mediation services to unions and their employers in resolving disputes
- Provide sufficient resources to mediate and arbitrate disputes

KEY INITIATIVES

- Implement the recommendations of the review of ground ambulances concerning the designation of ambulance workers as an essential service
- Hold consultations on the *Labour Relations Code*

DESIRED RESULT 4.3

Alberta employees and employers benefit from fair and balanced employment standards and practices

STRATEGIES

- Investigate and resolve registered complaints
- Target businesses and industries with poor compliance histories and implement strategies to improve compliance
- Develop and implement strategies to increase awareness of employment standards legislation
- Explore partnership opportunities with industry associations

The Government of Alberta has amended the *Occupational Health and Safety* (OHS) *Act* to:

- **increase the maximum fine for a first OHS offence from $150,000 to $500,000;**
- **allow judges to award penalties other than fines or incarceration for OHS offences, such as providing safety or education programs;**
- **allow for administrative fines similar to those used for traffic violations to be adopted;**
- **enable the names of employers with the best and worst safety performance to be published;**
- **allow the adoption of an enforceable OHS Code respecting specific health and safety matters; and**
- **extend the length of time available in which to begin a prosecution from one to two years.**

DESIRED RESULT 4.4

Professional and occupational associations in Alberta govern themselves in the public interest

STRATEGIES

- Consult with professional and occupational associations and stakeholders to ensure that governing legislation is updated and maintained to provide effective professional standards and practices
- Promote free movement and equitable access to employment opportunities

KEY PERFORMANCE MEASURE

- Lost-Time Claim Rate: number of lost-time claims per 100 person-years worked
- Percentage of collective bargaining agreements settled without a work stoppage (strike or lockout)
- Number of employment standards complaints registered for investigation as a percentage of Alberta's eligible workforce

SUPPLEMENTAL INFORMATION

Inter-provincial ranking of Alberta's person-days lost due to workplace injury and illness

BACKGROUND

4.1 Alberta workplaces are safe and healthy.

Alberta Human Resources and Employment's Partnerships in Health and Safety Program is based on the premise that when employers and workers voluntarily build effective health and safety programs in their own workplaces, the human and financial costs of workplace injuries and illnesses will be reduced. The Department believes that supporting health and safety programs leads to larger reductions in injuries than regulatory compliance alone.

Through partnerships with safety associations, industry groups, education institutes and labour organizations, a framework has been established to promote and certify health and safety programs.

The Partners in Injury Reduction initiative encourages the development of effective workplace health, safety and disability management programs in Alberta. Through this voluntary program, the Alberta Workers' Compensation Board-Alberta (WCB) works with AHRE, industry partners, safety associations, employers and labour groups to offer WCB premium incentives to employers who reduce their claim costs below predicted targets and meet specified standards for health and safety (i.e. a Certificate of Recognition).

For more information on the Workers' Compensation Board-Alberta, visit: www.wcb.ab.ca/home

A Certificate of Recognition (COR) is given to employers who develop health and safety programs that meet established standards. Certificates are issued by

Certifying Partners and are co-signed by AHRE. Achieving and maintaining a valid COR is required for earning a financial incentive through the Partners in Injury Reduction program. Also, it is not unusual for Alberta companies or businesses to expect contractors bidding on projects to hold a valid COR.

A COR recognizes that the health and safety management system of an employer has been evaluated by an auditor and found to meet the standards of Partnerships. Effective health and safety management systems have been shown to have an impact on reducing injuries. Eliminating the social and financial effects of injuries can strengthen the business success of participating employers.

RESULTS

STRATEGIES

Promote the development of effective worksite health and safety systems through the *Partnership in Health and Safety Program*

During the past year, new Partnership documents were published for promotion of the Partnership in Health and Safety Program. Partnership staff made presentations to various industry sectors.

The credibility of the Partnership program was reinforced through improved standards and quality assurance activities by AHRE staff. Liaisons with Partners and other stakeholders were achieved through ongoing participation at trade shows and other events.

External factors which contributed to the outcome of the strategy include the increased marketing efforts of Certifying Partners, increased requirements for the COR by partners for bidding purposes, and increased marketing efforts by the WCB in relation to the Partners in Injury Reduction (PIR) initiative.

As a result of these strategies, the number of employers earning a COR has increased by 6.5% over the course of 2002/03, and COR holders had a lower Lost-Time Claim Rate than non-COR holders in their industry sector.

Target poor health and safety performers for inspection, and investigate incidents and reported complaints

Poor health and safety performers were targeted for inspection and incidents and AHRE inspectors throughout the province investigated reported complaints. During 2002/03, 10,676 inspections were completed, which included 510 targeted employers. Specifically, 31 fatalities, 207 serious incidents and 1,769 complaints were investigated. There were nine convictions during the 2002 calendar year.

The work sites targeted were Upstream Oil and Gas, Construction and Steel/Metal Fabrication because these areas generally contain the highest list of poor health and safety performers.

What are the benefits of having a Certificate of Recognition (COR)?

- **Recognizes that the health and safety management system of an employer has been evaluated by an auditor and found to meet the standards of *Partnerships*;**
- **Effective health and safety management systems have been shown to have an impact on reducing injuries.**
- **Eliminating the social and financial effects of injuries can strengthen the business success of participating employers;**
- **Achieving and maintaining a valid COR is required for earning a financial incentive through the Partners in Injury Reduction (PIR) program. Also, it is not unusual for Alberta businesses to expect contractors bidding on contracts to hold a valid COR.**

KEY INITIATIVES

Introduce and implement regulatory changes under the *Occupational Health and Safety Act*

Alberta's occupational health and safety legislation is being updated in a three-step process. In the first step, the *Occupational Health and Safety Act* was amended in December 2002. One of the amendments permits the use of an *Occupational Health and Safety* (OHS) *Code* for detailed technical requirements and ensures the enforceability of the OHS Code.

In the second step, a new Occupational Health and Safety (OHS) Regulation took effect on March 31, 2003. This regulation replaced the administrative and policy provisions of 11 existing regulations. This new regulation will give employers one set of rules to follow on administrative matters such as application for permits and certificates, posting of orders and policy notices, worker training and availability of documents. The third step involves the release of the OHS Code, replacing the existing 11 workplace health and safety regulations. However the requirements of the OHS Code are not scheduled to come into effect until April 2004.

Hold a province-wide forum on Workplace Health and Safety

WORK SAFE
ALBERTA

The "Work Safe Alberta" Strategy was developed with the goal of reducing workplace injuries by over 40% by the end of 2004. The strategy proposes a range of initiatives to improve workplace health and safety in Alberta and recognizes employers, employees, associations, government and the public all have a role to play in promoting workplace health and safety.

On May 8, 2002, a Workplace Safety 2.0 forum was held in Edmonton with representatives of industry, labour and safety associations attending. Over 130 participants as well as members of the Provincial Strategic Working Group on Workplace Safety provided input on the Work Safe Alberta Strategy.

Implement the new accountability framework, improved decision-making and governance of the Appeals Commission for Alberta Workers' Compensation in collaboration with the Workers' Compensation Board (WCB) and the Commission

Bill 26, the *Workers' Compensation Amendment Act*, was passed in May 2002. The Bill was designed to achieve three objectives: to improve the WCB decision-making process, to ensure the independence of the Appeals Commission, and improve the accountability of the WCB and Appeals Commission. In addition, the Appeals Commission became a government reporting entity as of September 2002.

BACKGROUND

4.2 *Labour and management are able to resolve disputes effectively.*

The *Labour Relations Code* is the legislation that governs the relationship between employers and most unionized workers and sets the rules regarding certification, picketing, strikes, and other situations. New regulations for the *Labour Relations (Regional Health Authorities Restructuring) Amendment Act* outline the process to streamline health care bargaining, ensure all workers employed by the regional health authorities are treated consistently, and deal with potential severance issues caused by the realignment of the regional health authorities. The regulations establish a new labour relations framework for the bargaining in the regional health authorities.

For more information on the *Labour Relations Code*, visit: www.gov.ab.ca/hre/labourrelations

The Department of Alberta Human Resources and Employment (AHRE) Mediation Services assists labour and management to resolve disputes in collective bargaining negotiations. Mediation is required by legislation prior to the parties being legally permitted to strike or lockout. Mediation Services also seeks to promote positive labour and management relations throughout Alberta. Provincially appointed mediators play a key role in assisting clients to reach collective agreements through mediated settlements

In 2002, a mediator was appointed by the Department of AHRE to a particular dispute. The previous round of negotiations had involved an illegal work stoppage. This round, the mediator wrote a timely and innovative recommendation which was accepted by both parties. The terms of that recommendation set a pattern that paved the way for a number of other settlements in the sector that year.

Mediation services are available to unions, employers who have a bargaining relationship with a union or employee association, and the arbitration community. The mediator arranges meetings with the parties to deal with the issues in dispute. The mediator works with the parties to find resolution in order to reach a collective agreement. Grievance arbitration is used when employees and employers disagree over interpretation of a provision in a collective agreement, or if there is an allegation by one party that the other has violated the terms of the agreement. In this process, an impartial arbitrator renders a decision that is binding on both parties.

RESULTS

STRATEGIES

Help organizations develop relationships through better communications, problem solving and labour-management co-operation

The Department continues to work with public sector clients to encourage improved relationships between teachers and school boards, health care employers and their employees and municipal organizations and employees.

Assisting organizations to develop relationships through better communications, problem solving and labour-management co-operation is an ongoing function and activity of AHRE. Over the past year, AHRE has worked with both unionized and non-unionized workplaces to encourage better communications and improved relationships.

Provide mediation services to unions and their employers in resolving disputes

The number of mediation appointments decreased from 159 in 2001/02 to 114 in 2002/03, a decrease of 28.3%. Appointments were made in a timely manner and assigned to professional roster mediators who were knowledgeable of the particular sectors. The higher number of mediation appointments in 2001/02 is due to the large number of school boards and teacher locals who were in mediation.

Arbitration appointments escalated in the 2002/03 period, continuing a trend of the previous two years. In 2002/03, 429 arbitration appointments were made compared to 339 appointments in the previous year. This represents an increase of 26.5%. The large increase in arbitration appointments is primarily due to a substantial increase in requests from the health care sector.

Overall, timely responses to requests for mediation and arbitration appointments were met. Clients expressed satisfaction with the services provided by AHRE. Of the 114 mediation appointments made in 2002/03, 76 ratified agreements have been reached to date with only one dispute resulting in job action.

Under Bill 27, the *Labour Relations (Regional Health Authorities Restructuring) Amendment Act*, all health care workers in similar jobs in the same health region will negotiate as a unit. Other amendments remove nurse practitioners from collective bargaining, and establish a common process to resolve labour disputes to bring the 10 per cent of health care employees who can legally strike in line with the 90 per cent who cannot.

Nurse practitioners will take on new duties in a reformed health care system to improve patient access to medical care. The *Labour Relations Code* will no longer cover these professionals. Instead, like other independent professionals, they will negotiate their own contracts for more flexible working hours and conditions. The Alberta Labour Relations Board will have temporary powers to address issues arising out of the proposed changes in a timely and effective manner.

Provide sufficient resources to mediate and arbitrate disputes

The mediation and arbitration of disputes is an important service delivered by AHRE. Succession planning is critical for ongoing service delivery. Due to a number of mediators leaving the roster in 2002/03, the staff component of the Mediation Services branch increased by two in the 2002/03 year, and the succession plan moved into the recruitment implementation phase, which is expected to bring a number of new mediators to the roster in the 2003/04 year.

For information on Mediation Services visit: www3.gov.ab.ca/hre/mediation services

Further strategic planning was addressed as Mediation Services consulted with the Alberta Arbitration and Mediation Society and is exploring consultations with other educational institutions to examine the possibilities of including a labour relations component in the mediation and arbitration courses.

KEY INITIATIVES

Implement the recommendations of the review of ground ambulances concerning the designation of ambulance workers as an essential service

The purpose of this review was to develop opinions and legislative recommendations to ensure Albertans have uninterrupted access to ambulance service. The Department of AHRE provided support and labour relations expertise to the MLA review team as they completed the draft report.

Hold consultations on the *Labour Relations Code*

An MLA Committee was established by the Minister to review the *Labour Relations Code*. A final report of the MLA Committee was forwarded to the Minister in November 2002 and AHRE is preparing an implementation plan to support the committee moving forward on two of the recommendations detailed in the MLA report.

BACKGROUND

4.3 *Alberta employees and employers benefit from fair and balanced employment standards and practices.*

Employment Standards staff administer and enforce the *Employment Standards Code* and Regulation, which establish minimum standards of employment for employers and employees in the workplace. Department staff also administer and enforce the *Labour Relations Code*, the legislation that governs the relationship between employers and unionized workers and sets the rules regarding certification, picketing, strikes, and other situations. The *Employment Standards Code* applies to most employers and employees working in Alberta.[36]

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[36] Alberta's working age population (ages 15+) increased from 2,366,700 in 2001 to 2,420,600 in 2002, an increase of 2.3%.

RESULTS

STRATEGIES

Investigate and resolve registered complaints

A total of 4,520 complaints were registered with Employment Standards in 2002/03, an increase of approximately 2% from 2001/02. Internal targets are established for the timely completion of complaint investigations and overall, these targets were met or exceeded in 2002/03.

Target businesses and industries with poor compliance histories and implement strategies to improve compliance

Once an employer's employment practice(s) have been determined to be in contravention of The *Employment Standards Code*, the cooperation of the employer is required to implement changes. Follow-up site visits are needed to confirm compliance. Depending on the issue and number of business locations of an employer, strategies to obtain verification of compliance and/or implement enforcement proceedings may take several months to complete.

In 2002/03, a total of 22 employers were targeted for compliance initiatives based on past performance. Individual strategies were developed to address identified problems. Contact was made with all 22 employers and site visits were conducted to verify current practices and/or follow-up on identified contraventions. As of March 31, 2003, 12 of 22 targeted employers were considered to be in compliance with The *Employment Standards Code*. Ten employers will remain on the AHRE targeted list for 2003/04 to allow for confirmation of compliance with minimum standards.

Develop and implement strategies to increase awareness of employment standards legislation

Education Co-ordinators focused on offering a maximum number of educational opportunities for Alberta businesses. The team of co-ordinators exceeded their mandated goal in terms of numbers reached; industry partnerships and in particular the alliance with the Chambers of Commerce allowed for greater advertising and thus registrations increased.

Explore partnership opportunities with industry associations

Department staff continue to work with industry partners to ensure the partnership relationships meet the needs of the associations, their members and the government. In fact, in 2002/03, the Alberta Restaurant and Food Services Association (ARFA) presented an award to AHRE partnership staff member for outstanding service and contributions to ARFA. Further, in an article in the April 2003 issue of *BC Restaurant News*, the partnership between AHRE and ARFA was recognized for its pioneering efforts. In the BC Restaurant News article, entitled "Standards Practice", the author states "Employment Standards staff knows that the majority of complaints are filed because

arfa
Alberta Restaurant & Foodservices Association

employers don't know the laws and don't know where to turn to find out information about the laws. In creating a place for the restaurant industry to turn, Alberta created a model that works and that benefits us all." The author concludes, "The trends seem to indicate that … a reduction in complaints due to greater compliance resulting from increased knowledge and understanding about the laws with the food service industry."

The "call me first" initiative has also contributed to the achievement of this strategy. This initiative is a partnership program offered to members of industry associations. Before associations make a decision about an Employment Standards matter at their place of business, they call the AHRE experts in this area. As most employers do not have access to human resource professionals or the correct technical information, AHRE staff discuss the situation with them and suggest solutions. This provides an opportunity to discuss the details and decide on the resolution of the issue.

The combination of industry partnerships, industry newsletter articles and the "call me first" initiative contributed to member awareness of legislation and regulations, an increased uptake in the education, training and workplace relationship areas and ultimately led to a reduction of employment standards complaints.

A partnership between Alberta Human Resources and Employment and the Alberta Restaurant and Food Services Association (ARFA) has been recognized for its pioneering efforts.

The partnership began in May 2000 with the goal of reducing Employment Standards complaints filed within the restaurant industry. By working proactively with the ARFA membership, the goal of reducing claims by 50% was surpassed. Claims dropped by 72% in the first year of the partnership.

As a result, an AHRE Partnership Consultant was awarded the first and only "Friend of ARFA award at the ARFA Exhibition (ARFEX) in April 2003.

BACKGROUND

4.4 Professional and occupational associations in Alberta govern themselves in the public interest.

The Department of Alberta Human Resources and Employment (AHRE) is responsible for 9 Acts, which govern 23 self-regulating professional associations, and works closely with these associations to ensure that they are governed in the public interest so Albertans can access quality professional services. The 9 acts are:

- *Agrologists Act*
- *Architects Act*
- *Consulting Engineers of Alberta Act*
- *Engineering, Geological and Geophysical Professions Act*
- *Regulated Forestry Professions Act*
- *Land Surveyors Act*
- *Veterinary Profession Act*
- *Regulated Accounting Profession Act*
- *Professional and Occupational Associations Registration Act*

The professional and occupational associations in Alberta regulated by the *Professional and Occupational Associations Registration Act* (POARA) are:

- Alberta Human Ecologist and Home Economist Association
- Alberta Institute of Purchasing Management Association of Canada
- Alberta Association, Canadian Institute of Planners
- Association of the Chemical Profession of Alberta
- Society of Local Government Managers of Alberta
- Alberta Society of Professional Biologists
- Electrical Contractors Association of Alberta
- Association of School Business Officials of Alberta
- Alberta Assessors' Association
- Alberta Shorthand Reporters Association
- Canadian Information Processing Society of Alberta

Through professional legislation, regulatory bodies are given the authority to ensure that their members meet educational and training requirements, provide safe, ethical and competent services, and follow prescribed codes of conduct.

Land Agents Licensing is responsible for ensuring that Alberta's land agents fulfill their professional responsibilities required of them in the *Land Agents Licensing Act*. A person must hold a land agent licence when negotiating for interests in land that could be taken by right of entry order or otherwise expropriated. These interests in land include well sites, pipelines, power lines and some roadways.

RESULTS

STRATEGIES

Consult with professional and occupational associations and stakeholders to ensure that governing legislation is updated and maintained to provide effective professional standards and practices

A number of stakeholder consultations were completed in 2002/03. Two sets of consultations were undertaken to develop supporting regulations for the *Regulated Forestry Profession Act*. These included legislative consultations with the College of Alberta Professional Foresters (CAPF) and the College of Alberta Professional Forest Technologists (CAPFT) respectively, followed by stakeholder consultations with various Alberta Government departments, and the Alberta Institute of Agrologists (AIA), the Alberta Land Surveyors' Association (ALSA), he Association of Professional Biologists of Alberta (APBA) and the Association of Professional Engineers, Geologists and Geophysicists of Alberta (APEGGA).

Legislative consultations were also undertaken with APEGGA to develop a new Registered Professional Technologist (Geoscience) Regulation for that professional association. Stakeholder feedback was solicited from the Alberta Society of Engineering Technologists (ASET), the Alberta Association of Architects (AAA), the Institute of Chartered Accountants of Alberta (ICAA), the ALSA and various Alberta Government departments.

In addition, ongoing consultations were undertaken with Labour Mobility Co-ordinators (LMCs) in other Canadian jurisdictions, and with representatives of Human Resources Development Canada (HRDC) regarding the implementation of labour mobility initiatives associated with Chapter 7 (Labour Mobility) of the Agreement on Internal Trade.

All of these consultations ensured that the professional legislation administered by AHRE was either updated or developed to provide effective professional standards and practices. Specifically, the *Regulated Forestry Profession Act* and its supporting regulations, together with the *Registered Professional Technologist (Geoscience) Regulation* came into force, while the *Veterinary Profession Amendment Act* received Royal Assent.

Promote free movement and equitable access to employment opportunities

The Department continues to participate in and contribute to federal and provincial government strategies to implement the requirements of the Agreement on Internal Trade (AIT), specifically Chapter 7 referring to labour mobility. The AIT is an agreement between the provincial, territorial and federal governments to remove inter-provincial trade barriers to encourage free movement of goods, services and people to make Canada more competitive economically.

PERFORMANCE MEASURES

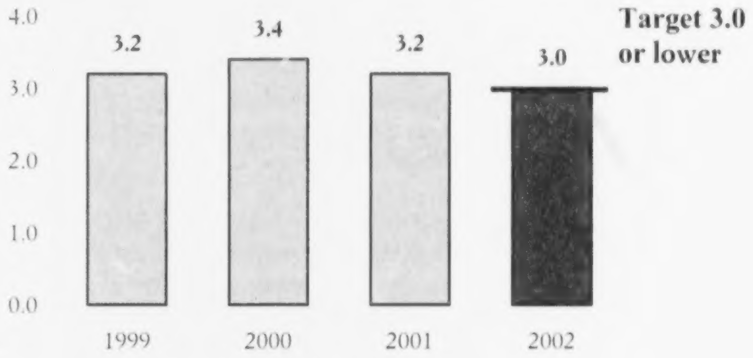
The economic environment affects the workplace measures. Increased economic activity can particularly affect the workplace injury and disease measure, as a robust economy tends to result in workers with less experience entering the workforce.

Indicators of labour stability in Alberta include the percentage of collective agreements that parties reach on their own, as well as the percentage of mediation appointments that avoid work stoppages. Alberta provides employees and employers with a legislative framework to resolve collective bargaining disputes and also offers assistance in developing effective solutions to workplace issues.

The Department of AHRE develops and implements employment standards, educates employers and employees, and monitors compliance. The number of Employment Standards complaints provides an indication of the success of proactive educational initiatives and compliance programs.

KEY PERFORMANCE MEASURES

4.1 Lost-Time Claim Rate: number of lost-time claims per 100 person-years worked*[40]



Note:
* Data refers to calendar year.
Sources: The Department of Alberta Human Resources and Employment and Workers' Compensation Board.

ANALYSIS

The lost-time claim rate provides an estimate of the probability, or risk, of disabling injury or disease to a worker during a period of one year's work. A lost-time claim occurs when a worker receives wage loss compensation for one or more days after the date of injury.

Industry, safety associations, labour, and government are being challenged to work together to reduce workplace incidents by 40% by 2004. An education and enforcement campaign, Work Safe Alberta calls on workers and employers to cut the number of safety violations and lost-time injuries. A successful program will mean 15,000 fewer seriously injured workers each year.

Changes to enforcement include:

- Hiring 19 safety officers for a total of 83 in Alberta
- Increasing the maximum fine for a first OHS offence from $150,000 to $500,000
- Allowing judges to award penalties other than fines or incarceration for OHS offences, such as providing safety or education programs; and

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* The Lost-Time Claim Rate is calculated as the ratio of WCB compensated lost-time claims to person-years worked. Claims are included in a calendar year if they were made within that year and compensated for by March 31 of the following year. Person-years are an estimate of those worked by employees with WCB coverage.

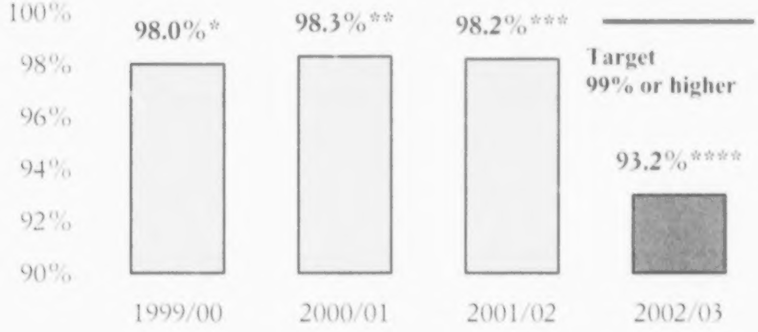
- Extending from one to two years the length of time available in which to begin a prosecution

The education component of the campaign includes promoting workplace safety awareness through a television and print advertising campaign estimated to cost $1.2 million over 2 years.

The government also continues to encourage employers to participate in the Partnerships in Health and Safety Program, which enables an employer who successfully institutes a workplace health and safety management system to qualify for up to a 20% rebate on their Workers' Compensation Board – Alberta premiums.

In 2002, the lost-time claim rate at the provincial level decreased from 3.2 to 3.0 per 100 person-years. The target for 2004, which the Work Safe Alberta initiative is intended to contribute, is to reach a lost-time claim rate of 2.0 or lower.

4.2 Percentage of collective bargaining agreements settled without a work stoppage (strike or lockout)[41]



Notes:

* Methodological changes in analytic procedures were introduced in 2000/01. Historical data have been revised using new methods to be comparable.

** Data captured in the newly developed Integrated Bargaining Information System (IBIS) as of May 24, 2001.

*** Data captured in the Integrated Bargaining Information System (IBIS) as of May 6, 2002.

**** Data captured in the Integrated Bargaining Information System (IBIS) as of May 7, 2003.

Source: The Department of Alberta Human Resources and Employment – Integrated Bargaining Information System (IBIS).

The percentage of expired collective agreements that were settled without a work stoppage was 93.2%, 6% below the target of 99%. While factors influencing this measure include a low unemployment rate, a shortage of skilled workers in some sectors, and a high expectation of workers and demands of unions as a result of current economic growth in the Alberta economy, the primary driver of this result was the job action taken by Alberta teachers in 2002.[42]

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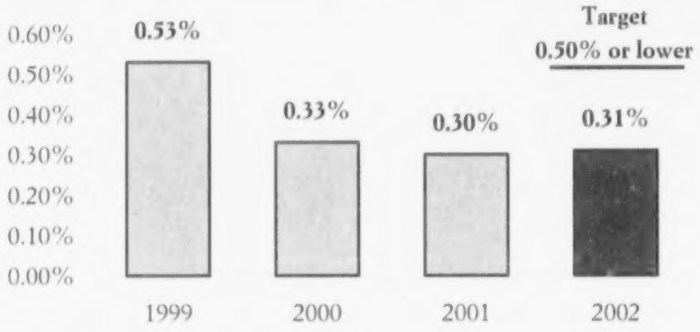
[41] The measure is calculated using the number of Collective Bargaining Agreements (CBAs) covered under the *Alberta Labour Relations Code* and the *Police Officers' Collective Bargaining Act* filed with Alberta Human Resources and Employment that were settled without legal work stoppage. The measure is a ratio of the number of settled CBAs, less legal strikes and lockouts, to the number of settled CBAs.

4.3 Number of employment standards complaints registered for investigation as a percentage of Alberta's eligible workforce *[43]



Notes:

* Data refers to calendar year.

Sources: The Department of Alberta Human Resources and Employment – Employment Standards Information System (ESIS); Statistics Canada – Labour Force Survey.

ANALYSIS

The effectiveness of the department's educational initiatives and compliance programs is reflected in the number of registered complaints. In 2001, the number of employment standards complaints registered for investigation, as a percentage of Alberta's eligible workforce, was the lowest recorded since the measure was established in 1993. In 2002, this only increased by 0.01%. This is a significant result, since decreased unemployment and significant increases in economic activity typically result in an increase in the percentage of registered complaints.

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[42] The measure "percent of collective bargaining agreements settled without a work stoppage" looks at the number of collective agreements settled in the fiscal year, and how many had work stoppages prior to being settled. While the teacher's work stoppages occurred in February 2002, their collective agreements were settled in June 2002.

[43] The measure is calculated as the number of Employment Standards complaints registered for investigation in a calendar year, as a percentage of the eligible workforce. Registered complaints are maintained in the Employment Standards Information System (ESIS) at Alberta Human Resources and Employment. The eligible workforce is defined as the total number of agricultural and non-agricultural paid workers in Alberta, less employees under federal jurisdiction who have their own employee grievance procedures. Eligible workforce data are derived from the Statistics Canada Labour Force Survey.

SUPPLEMENTAL INFORMATION

4.1 Inter-provincial ranking of Alberta's person-days lost due to workplace injury and illness.*

1999	2000	2001	2002	Target
Third Lowest	Data not available**	Data not available**	Data not available**	Maintain rank as among the three lowest in Canada

*Data refer to calendar year.

**Other provincial data not available from Human Resources Development Canada at the time of printing.

Sources: Alberta Human Resources and Employment and Human Resources Development Canada.

In previous years, this data was collected, analyzed, and provided to the provinces by Human Resources Development Canada (HRDC). However, in 2002, HRDC announced that due to resource constraints, they have indefinitely suspended the collection of the data used to prepare the interprovincial table on workdays lost due to workplace injury and illness. Therefore, Alberta is unable to report interprovincial ranking for this report.

Goal 5: Alberta has a productive workforce that meets the needs of the economy today and in the future

DESIRED RESULT 5.1

Alberta employers have the skilled workforce they need

STRATEGIES

- Develop alliances at the local, provincial, national and international level that will contribute to human resource development
- Promote workforce effectiveness (work-life balance, lifelong learning, workplace values)
- Identify industrial sector and labour market trends
- Promote employer participation and investment in workforce development

KEY INITIATIVES

- Implement *Prepared for Growth: Building Alberta's Labour Supply*
- Work with partners and stakeholders to define the roles of industry and Government in workplace training

KEY PERFORMANCE MEASURE

Number of occupations that are in a skill shortage situation as defined by an unemployment rate below 3% (*new*)

BACKGROUND

5.1 *Alberta employers have the skilled workforce they need.*

The Department of Alberta Human Resources and Employment (AHRE) is developing a *Skills Investments Strategy* (SIS) to help set the direction for its adult training and employment programs. These are the programs and services that help people prepare for, train for, find and keep employment.

The *Skills Investments Strategy* will ensure that AHRE's Skills Investments programs and services are responsive to client needs and help meet the skills requirements of a changing labour market. The department will be implementing the SIS over the next 3 to 5 years.

STRATEGIES

Develop alliances at the local, provincial, national and international level that will contribute to human resource development

In 2002/03, AHRE formed the Temporary Foreign Worker Program and Skill Shortage Liaison Team with members from the province and HRDC and Citizenship and Immigration Canada. The Temporary Foreign Worker Program allows employers to bring foreign workers in to the province to address labour market demands on a short-term basis. This Immigration Program relies upon an analysis of local labour market conditions and shortages. Information from HRDC and AHRE regarding labour market conditions and skills shortages is an important element in documenting these employer requirements. The working group improves the operation of the Temporary Foreign Worker Program in Alberta by improving the exchange of information and increasing co-ordination.

As well, AHRE and Alberta Learning co-led a provincial working team that is developing a draft strategy on how to facilitate the integration of skilled immigrants into Alberta's economy.

The Department of AHRE staff presented short and long-term labour market and labour force planning information to business, industry and government audiences who will work with the Department over the next few years to address issues of human resource development. Specifically, AHRE ensured that Alberta's views were heard on federal-provincial/territorial deliberations through the Forum of Labour Market Ministers (FLMM), Social Services Ministers (SS), Canadian Association of Administrators of Labour Legislation (CAALL) and the Canada-Alberta Liaison Committee (CALC).

Throughout Alberta, alliances have been developed at the local level to develop human resources targeted to regional needs. Edmonton and Calgary region have contracts with the Alberta Restaurant and Food Services Association (ARFA) to provide a Job Fair in conjunction with the annual ARFA Trade Fair. Calgary region also has a contract with Champions, a service provider that includes a component to work with employers relative to promoting the hiring of Persons with Disabilities, as a strategy to address skill shortage needs as

What are the four Skills Streams involved in the *Skills Investments Strategy*?

- **Information needed to make well-informed career decisions;**
- **Skills Preparation helps Albertans gain knowledge and skills to "find a job and keep it";**
- **Skills Adjustment helps adapt to labour market change and obtain sustained employment;**
- **Skills Enhancement ensures that working Albertans continue to enhance their skills in order to contribute to Alberta's economic growth.**

outlined in the "Diversity" publication. In northwest Alberta, partnerships with local and regional Economic Development groups in the Innovations Network, support the development of more entrepreneurial work in the Grande Prairie area.

Staff in regional AHRE offices are members of, or consult with, the local Chamber of Commerce or Economic Development and share information about labour market needs. Calgary region is represented on the Steering Committee of the Petroleum Services Human Resources Council overseeing the production of a national labour market study of the upstream petroleum industry. Edmonton region established a Workforce Adjustment Response Team, and in southern Alberta, consultations have taken place with HRDC, Chambers of Commerce, Interagency Groups, Educational Consortia, and employers.

Results of these activities and initiatives include improved relationships with HRDC including local delivery partnerships, improved partnerships with provinces/territories and Aboriginal Human Resource Development Agreement (AHRDA) holders, improved labour market information products for use across Canada, provincial/territorial consensus document *Working Together to Strengthen Learning and Labour Market Training*, and a solidified process for provincial/territorial input into international labour co-operation agreements.

Promote workforce effectiveness (work-life balance, lifelong learning, workplace values)

The Department continues to support work-life balance by contributing to and promoting the work done on this issue by the Canadian Association of Administrators of Labour Legislation sub-committees. In addition, the workplace relationship work undertaken with clients, including the construction industry, promotes workplace values while addressing issues such as productivity and quality of training. AHRE also worked with other areas of the department in the development of the Skills Investments Strategy, which addresses related issues.

Over one million Albertans had either a university degree or some post-secondary education, which accounts for over 62% of Alberta's labour force.

Identify industrial sector and labour market trends

Daily and monthly environmental scans are conducted by AHRE regarding events impacting the labour market. The Department of AHRE also reported on industry and occupational growth and decline using the Labour Force Survey and the Canadian Occupational Projection System (COPS) and designed the Regional Occupational Projection model. On an ongoing basis, the Department reviews industrial publications and Web sites.

Department staff have collaborated with other provincial departments through the Labour Force Planning Committee, the Value-Added Strategy Team and the Regional Economic Development Strategy working groups to share information and identify trends. Throughout the past year, AHRE participated in workshops and conferences related to the economy, workplace and labour market, and kept current with developments and impacts on the global economy, such as the Iraq war, Kyoto Accord, technological advancements, trade disputes, Severe Acute Respiratory Syndrome and workplace health and safety issues. The Department of AHRE also provided input to survey questions for the Canadian Federation of Independent Business survey on skills and training.

On a regional basis, Labour Market Outlook "Train the Trainer" sessions were held to educate staff and stakeholders on how to interpret and use industrial sector and labour market trends. Staff from AHRE also participated in the cross-departmental work on the Kyoto Accord, Central Alberta Economic Development project and the Wood Buffalo Interdepartmental project.

Promote employer participation and investment in workforce development

The Department communicates and advocates best practices to the employer community through contributing to the development and distribution of employer print resources such as *Diversity: a strategy to meet your need for skilled workers*. This resource encourages employers to hire non traditional labour including persons with disabilities, immigrants, older workers, visible minorities and youth.

Alberta Human Resources and Employment also conducted over 20 presentations to employer groups explaining labour market trends and outlooks along with an overview of relevant provincial programs and services. Further, new Skills Investments programs were designed, with the focus to obtain greater employer input into the development and assessment of training programs.

In June 2002, consultations and focus groups were initiated with Albertans, including clients, the unemployed, underemployed, and employed, youth, Aboriginal peoples, and newcomers to Canada, persons with disabilities, employers, services providers, AHRE staff members and community organizations.

KEY INITIATIVES

Implement *Prepared for Growth: Building Alberta's Labour Supply*

The "Year One Report to Albertans" was released to Albertans in February 2003 and highlights the major accomplishments under the Labour Market Strategy. The report can be accessed at www3.gov.ab.ca/hre/pdf/growth_year1.pdf

Work with partners and stakeholders to define the roles of industry and government in workplace training

Focus groups were with held with employers and staff across the province to help develop strategies for improving partnerships with employers.

PERFORMANCE MEASURES

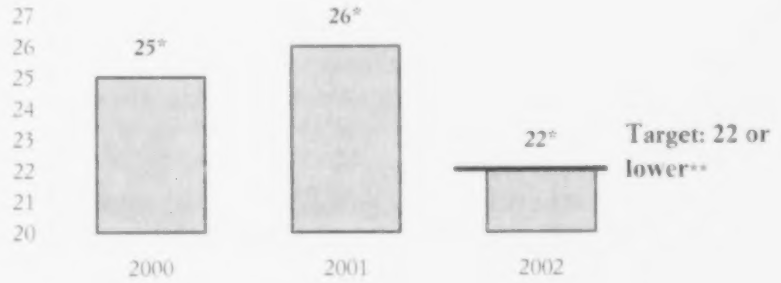
Alberta's continued growth and prosperity requires a sufficient supply of appropriately skilled workers.

In the current labour market, it is important to use all talents available, including those of Aboriginal people, youth, older workers, persons with disabilities and immigrants. Older workers, for example, can become part of the solution to the skill shortage problem through emphasizing the advantages and potential economic impact of their extended labour force participation. To address the needs of any one sector of the economy, the nature of the industry must be considered. The construction industry, for example, tends to be cyclical. Actions to meet its needs will focus to a greater degree on short-term solutions such as upgrading the skills of existing workers and promoting and expediting the processing of temporary work visas for immigrants. In comparison, the information and communications technology and health sectors face short and long-term shortages. A mix of actions is needed to attract workers from elsewhere and train new workers.

The Government of Alberta shares responsibility for addressing labour market needs with its partners, such as the Government of Canada and industry.

KEY PERFORMANCE MEASURE

5.1 Number of occupations that are in a skill shortage situation as defined by an unemployment rate below 3% (new)



Notes:

*Twelve month moving average data, based on calendar year.

**Targets are based on fiscal year, to align with the business plan.

Sources: Calculated using Statistics Canada, Labour Force Survey Microdata.

ANALYSIS

A skill shortage situation as defined by an unemployment rate below 3%, where demand for labour is greater than the supply. As a result of attrition through retirements and the strength of the provincial economy, Alberta is facing a skills shortage in a number of occupations. Many of these occupations are in the Health Care and Management areas.

In 2002, 22 occupational classifications had a skill shortage as indicated by an unemployment rate of less than 3.0%. This is down from 2001, when 26 of 53 occupational classifications were in a skill shortage situation.

When the unemployment rate moves below five per cent, the labour market is considered tight. Alberta's unemployment rate has been on a downward trend since 1993, when it stood at 9.6%.

The decrease in skills shortages is, in part, a result of actions undertaken as a result of the "Prepared for Growth" provincial labour strategy, which is the government's plan to ensure Alberta has enough skilled workers to meet industry demand. Three key strategies are being implemented: increase the skill and knowledge levels of Albertans, increase the mobility of labour in Canada, and increase the number of skilled immigrants to Alberta. Between March 2002 and March 2003, the number of people employed in Alberta increased by over 43,000.

operational goal

Goal 6: **Albertans receive effective and efficient programs and services**

DESIRED RESULT 6.1

Albertans are satisfied with the overall quality of department programs and services

STRATEGIES

- Evaluate Alberta Human Resources and Employment (AHRE) programs and services regularly
- Maintain accessible, timely and effective appeals processes for department clients
- Develop a new case management and payment system to support skills and people investment programs
- Continue to implement the department's human resource plan and staff development strategies with a focus on implementing the leadership and continuity plan
- Continue to implement AHRE's Strategic Plan for Information Management and Technology
- Continue to review and update the Internal Financial Control Strategy
- Promote evidence-based approach to planning and developing of the Department of AHRE's policies, programs and services

KEY INITIATIVES

- Develop and implement a comprehensive business resumption plan
- Implement an Intern and Co-op employment program within the department for persons with disabilities and Aboriginal peoples

DESIRED RESULT 6.2

Alberta's dependent adults receive the best possible representation

STRATEGIES

- Continue to provide guardianship services to dependent adults in Alberta where no appropriate party is available to assume private guardianship
- Encourage private guardians to assume responsibility whenever possible
- Encourage Albertans to plan for their future through the use of personal directives

DESIRED RESULT 6.3

Stakeholders and partners are satisfied with the contribution of the department in key cross-ministry initiatives

STRATEGIES

- Provide opportunities and vehicles for the department's external stakeholders' input into initiatives.
- Continue to actively support the four Government cross-ministry policy initiatives: Aboriginal, Children and Youth, Health Sustainability and Economic Development.
- Continue to support other cross-ministry initiatives including the four Key Administrative Initiatives: Alberta Corporate Service Centre, Corporate Human Resource Development Strategy, Corporate Information Management/Information Technology Strategy and One Window Access Project.

PERFORMANCE MEASURES

- Satisfaction of individuals who have used key departmental programs.
- Percentage of dependent adults with private guardians.
- Other government department's perception of the department's contribution on key initiatives.

SUPPLEMENTAL INFORMATION

- Office of the Public Guardian Caseload

BACKGROUND

6.1 *Albertans are satisfied with the overall quality of department programs and services.*

The Department of AHRE has an array of training and employment programs. Some of these programs were designed in the 1990s when the labour market was somewhat different than today's market. To fill skill shortages created by our rapid growth and address future needs created by an aging workforce, the Department of AHRE is developing a new strategy for Skills Investments. The challenge is to develop programs for persons with disabilities, Aboriginal people, youth and immigrants to gain additional skills and support their full participation in the labour force.

In 1999, the Departments of Family and Social Services, Advanced Education and Career Development, and Labour merged to form Alberta Human Resources and Employment (AHRE). As a result, 520 administrative support staff positions – many of which were similar jobs but had varying classifications needed to be reviewed and reclassified as necessary to achieve consistency and equity.

All 520 administrative support positions were reviewed during the project. Following the review, 121 (23%) positions were reclassified higher, 338 (65%) positions had no change in classifications, and 61 (12%) positions were reclassified lower. Less than one per cent appealed to the Classification Appeal Board, and no appeals were upheld.

Significant outcomes of this project included an increasing knowledge of the classification process for line managers, as well as the import role they play in the process. The project also resulted in an increased consistency of assignment of duties in like roles across the province.

The Administrative Support Review Project was awarded the Silver Premier's Award of Excellence.

2003
Premier's
Award *of*
Excellence

RESULTS

STRATEGIES

Evaluate AHRE programs and services regularly

The Work Outcomes Reporting Project (WORP), a client follow-up initiative, was expanded to include outcome data for those who have left Training on the Job, Job Placement, Self Employment and Skills for Work programs. This will provide the department with additional quality outcome information.

The Evaluation and Analysis Advisory Committee (EAAC), made up of senior staff from each division of AHRE, was formed to provide effective co-ordination and sharing of the department's evaluation and analysis activities. This will help build the department's capacity to develop and incorporate objective evidence into its policies, program design and development and management activities.

Maintain accessible, timely and effective appeals processes for department clients

During 2002/03, the Appeals Secretariat undertook a review of the existing appeals process within the department. The intent of this review was to maintain accessible, timely and effective appeals processes and to position the appeals process for the future. Based on this review several projects were initiated to enhance public information on the appeals process, to automate and streamline manual work processes and to enhance reporting on performance and appeal outcomes. These projects are on schedule and expected to be completed during 2003/04.

During the year 2002/03, the Registrar of Appeals Office, in cooperation with the Employment Standards Policy unit, developed a process of making Umpire's decisions accessible on the department's Web site for easy access to internal and external clients. The process is under way and will be completed during 2003/04 fiscal year. The Registrar's office continues to provide Umpire's decisions to Quicklaw, which ensures Canada and worldwide distribution. All appeals received by the Registrar's office are addressed in a timely and efficient manner. Mediation is attempted within 30 days of receipt of file and appeal hearings scheduled within 45 days if mediation fails.

For more information on Quicklaw, visit: www.quicklaw.com/en/home.html

The mandate of the Occupational Health and Safety Council (OHSC) is to advise the Minister on matters concerning the *Occupational Health and Safety Act* and on matters related to the health and safety of Alberta workers. In addition, the Council is empowered to hear appeals of orders issued by Occupational Health and Safety Officers, recommend changes in the *Occupational Health and Safety Code* to the Minister, and perform related duties and functions that may be assigned by the Minister. In 2002, the council heard 4 appeals. During 2002/03, the OHSC was involved in assisting in the development of criteria for awards to identify employers with exceptional or innovative safety performance. Further, the OHSC contributed to the Work Safe Initiative.

Develop a new case management and payment system to support skills and people investment programs

Extensive design and development of both systems have been completed and evaluated. A new accountability framework for training providers has been created and will be implemented over the next 1 to 2 years.

With the introduction of the new *Income and Employment Supports Act*, there are numerous opportunities to build the systems to meet "near future" needs.

Continue to implement the department's human resource plan and staff development strategies with a focus on implementing the leadership and continuity plan

All Divisional/Regional Management teams have been consulted and results from Employee Surveys are being used as background for developing objectives and strategies.

The Department Workforce Plan establishes the processes and principles by which human resource management occurs in the department. Through consultation with the Department Human Resource Management Advisory Committee, Executive Team, and all division and regional management teams, the Workforce Plan identifies human resource issues, challenges, and possible strategies as well as presents the results of the Corporate Employee Survey, and the Corporate Human Resources Plan. The Plan was renamed "Workforce Plan" to reinforce the role of all managers and move it away from being a "Human Resources Branch Plan". Once approved, members of the Advisory Committee presented the Plan to each divisional and regional management team to reinforce their role in achieving the Plan's goals and objectives.

Three key elements of the workforce plan are staff development, increasing leadership capacity within the department at all levels, and continuity planning. A comprehensive staff development strategy was approved this year which includes: learning plans for all staff, a minimum of five days devoted to learning for each employee, a variety of alternative learning options to enable staff to access learning from their desk, and a learning account.

Continuity planning for key and "at risk" positions is addressed by the development of strategies to enhance the skills and knowledge of all department staff in preparation for more senior roles within the Department of AHRE. Learning plans, performance coaching and assessment against the public service competencies, and career management information are all part of this strategy.

For more information on the Leadership Program, visit: www.pao.gov.ab.ca/connexus

The key component in the Workforce Plan is the Department Leadership Program. Open to all employees on a voluntary basis, the 18-month program is designed to develop leadership behaviours using a variety of learning strategies. Over 160 staff are currently involved in the program as participants or mentors. In June 2003, 36 staff will complete the program as the first graduating class. The program is seen as leading edge in leadership development and is being considered by a number of other departments as well as external public and private sector organizations.

Continue to implement AHRE's Strategic Plan for Information Management and Technology

As part of the implementation of the Strategic Plan several goals were laid out including:

- Create a library of common program components and functions that can be reused in future financial systems development projects. These reusable components and functions may also be of value to other ministries.
- Participation in the Government of Alberta Enterprise Architecture (GAEA) initiative to assured that AHRE's architectures continue to be aligned with GOA directions.
- The planning is underway for the transition to SuperNet's high-speed service.
- The adoption of Windows 2000 Server as the AHRE standard has begun. An initial phase in 2002/03 saw the upgrade of all application and database servers, as well as some of the file print servers.
- Large business area reviews (Financial Processes and Workplace Investments) are underway. These reviews will better enable business re-engineering and streamlined systems development.

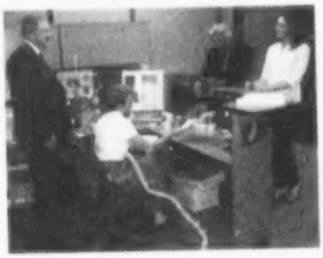
Continue to review and update the Internal Financial Control Strategy

- Led cross-government development of the Expenditure Officer training manual.
- Participate in cross-government Accounting Officer training development.
- Training was provided to Ministry Accounting Officers and Expenditure Officers.
- Participate in cross-government committee developing and implementing risk assessment templates for internal controls.

Promote evidence-based approach to planning and developing of the Department of AHRE's policies, programs and services

Evidence-Based Decision Making workshop materials have been developed and piloted. The Evidence-Based Decision Making workshop trains staff on the importance of objective information, the availability of data and approaches to capturing required data. Workshops were piloted with staff in Lac La Biche and Edmonton, with more training workshops anticipated for the future.

The Work Outcomes Reporting Project (WORP) suite of surveys, the department's third-party client follow-up initiative, was expanded to include outcome data for clients who have left Training on the Job, Job Placement, Self Employment and Skills for Work programs. Other clients included in the survey work include those in the Skill Development Program (SDP), Career and Employment Assistance Services (CEAS), Temporary Employment Programs (TEP) and Supports for Independence (SFI).



Staff from AHRE Finance, People Investments, and Strategic Services, discussing the Ministry 2002/03 Annual Report.

KEY INITIATIVES

Develop and implement a comprehensive business resumption plan

The first draft of AHRE's Business Resumption Plan was completed in accordance with Government of Alberta guidelines. The Business Resumption Plan ensures the department can continue to provide programs and services should there be a catastrophic event.

Implement an intern and co-op employment program within the department for persons with disabilities and Aboriginal peoples

The intern/student co-op employment programs are meant to attract, select, and develop new employees to meet the current and future needs of the department in a customized learning and development environment. During the past year, 15 interns were employed and 10 co-op placements were secured.

For more information on co op employment, visit:
www.pao.gov.ab.ca/jobs/students/opportunities.htm

BACKGROUND

6.2 Alberta's dependent adults receive the best possible representation.

The Guardianship program provides surrogate decision-making, supports and safeguards to dependent adult Albertans who are unable to make personal non-financial decisions independently.

The Guardianship program is for dependent adults over the age of 18 years who are repeatedly or continuously unable to care for themselves and unable to make personal decisions. Guardianship programs for children are administered by Alberta Children's Services.

The Office of the Public Guardian (OPG) assists private individuals in obtaining a guardianship order for an adult who is unable to make independent decisions. As a last resort, a public guardian can be appointed for those dependent adults who do not have family members or any other interested person who might apply to become a private guardian.

Guardianship is a legal process that gives an individual (a guardian) the legal authority and responsibility to make or assist in making decisions about personal matters on behalf of a dependent adult.

RESULTS

STRATEGIES

Continue to provide guardianship services to dependent adults in Alberta where no appropriate party is available to assume private guardianship

Through the Office of the Public Guardian (OPG), AHRE assures appropriate decision-making mechanisms, and supports and safeguards are available to assist adult Albertans who are unable to make personal decisions independently.

During the past year, the OPG continued to ensure the best possible individual represents the needs of the dependent adult by encouraging private guardians to assume responsibility whenever possible.

For more information on guardianship, visit: www3.gov.ab.ca/hre/opg/guardianship/kits/index.asp

To ensure information on guardianship is reaching all Albertans, the regional staff continued to raise awareness of guardianship by delivering information sessions to educational institutions, hospitals, seniors and community groups. In support of the presentations, Self-Help Kits are easily available and the OPG Web site has been updated with a focus on user-friendly access to information.

In 2002/03, the average OPG Public Guardian caseload was 1,977 for dependent adults, while the Private Guardian caseload was 7,654. Therefore, 79% of dependent adults in Alberta had a private guardian.

Encourage private guardians to assume responsibility whenever possible

Guardians are advocates for dependent adults, acting or speaking on their behalf, and in their best interest. Guardians are expected to provide every opportunity for the dependent adult to contribute to his/her own care and life decisions.

Private guardians responded that 88% of them were somewhat or very satisfied with regard to services offered by the OPG. Lower scores were obtained regarding the OPG's ability to provide information on the services they provide (74%); and 68% of Private Guardians were not aware of the existence of OPG Self-Help Kits.

Satisfaction with the Self-Help Kits for Guardianship Applications and Reviews rose from 68% in the 2001 Stakeholder Satisfaction Survey, to 83% in 2003.

Encourage Albertans to plan for their future through the use of personal directives

A personal directive allows you to prepare written instructions on personal matters in case you become incapable of making those decisions later. The law in Alberta does not allow for another person to automatically make decisions for you – not even your spouse or a close relative has legal authority. Anyone over the age of 18 can complete a personal directive. It can be made with or without the assistance of a lawyer, but it becomes a legal document when it is dated, signed and witnessed.

Note: Effective April 1, 2003, the Office of the Public Guardian was transferred to the Ministry of Alberta Seniors.

All adult Albertans should consider making a personal directive to plan for the future. Incapacity from industrial or motor vehicle accidents can happen at any time. Some diseases or conditions can lead to incapacity.

BACKGROUND

6.3 Stakeholders and partners are satisfied with the contribution of the department in key cross-ministry initiatives.

The Alberta Government has three types of cross-ministry initiatives: (1) priority policy initiatives, (2) key administrative initiatives and (3) routine maintenance initiatives. The Department of AHRE was uniquely and strategically positioned between economic and social policy and thus had a key role to play in all of the 2002/03 cross-ministry initiatives. The Alberta Government's cross-ministry initiatives for 2002/03 are listed below.

Initiative	Departments
Priority Policy	• Health Sustainability • Economic Development Strategy • Children and Youth Initiative • Aboriginal Policy
Key Administrative	• Corporate HR Development • Alberta Corporate Service Centre • Alberta One Window Initiative (Service Alberta) • Corporate Information Management/Information Technology Strategy
Routine Maintenance (related to AHRE)	• Homelessness Strategy • Canadian Intergovernmental Relations Strategy • International Strategy

RESULTS

STRATEGIES

Provide opportunities and vehicles for the department's external stakeholders' input into initiatives

The Department of AHRE received positive feedback from external stakeholders about opportunity to provide/collect input during various AHRE's consultations. Many of the recommendations from stakeholders are currently being implemented.

The 2003-06 Business Plan, which external stakeholders helped to shape, was identified by Standing Policy Committee on Learning and Employment as a "model for the rest of government".

The results of the various consultations, which were held throughout the year, were considered in the development of the AHRE business plan and other departmental initiatives. Some of the consultations are referenced below:

- Aboriginal Policy Strategy to address labour market issues, cultural needs and barriers to Aboriginal participation in AHRE's programs.
- A province-wide forum on workplace health and safety was held in May 2002. Work Safe Alberta – a partnership between the department, industry, safety associations, and labour to reduce workplace incidents – resulted from the consultation and is now being implemented.
- Consultations with external stakeholders regarding the design and implementation of the Skills Investments Strategy were successfully launched in March 2003.
- A review of the *Labour Relations Code* received over 300 written submissions, concerning the present state of Alberta's labour laws, from stakeholders over the summer and fall of 2002. The code is the legislation governing labour relations and collective bargaining in the province.
- The review of ground ambulances concerning the designation of ambulance workers as an essential service received comments from a broad range of stakeholders from May to July 2002.
- In June 2002, a cross-section of external stakeholders representing various sector/organizations etc. was invited to meet with the Minister to provide input into the department's strategic direction for the next 3 to 5 years. This group reconvened in October 2003 to review and discuss the department's 3-year business plan.

Continue to actively support the four Government cross-ministry policy initiatives: Aboriginal, Children and Youth, Health Sustainability and Economic Development

The Department provided support to all the cross-ministry policy priorities.

(1) PRIORITY POLICY INITIATIVES

Health Sustainability

The Department participated in the cross-ministry Health Alberta Promotion and Prevention Policy Framework Working Group, which created a policy framework to provide direction in developing initiatives focused on healthy living and increasing prevention programs across the province. Also, more than 68,000 children received free health benefits under the Alberta Child Health Benefit (ACHB) program as at March 31, 2003. The Department stepped up the advertising campaign to increase awareness and utilization of the ACHB program.

For more information on healthy living, visit: www.healthyalberta.com /default2.asp

Economic Development Strategy

The Department led the cross-ministry work under the objective of "ensuring a sufficient supply of skilled labour to meet Alberta's economic growth." The Labour Force Planning Committee is active and continues to meet regularly. A Year One Report to Albertans on major achievements under the provincial labour market strategy as outlined in "Prepared for Growth: Building Alberta's Labour Supply" was produced and distributed to stakeholders.

For more information on Economic Development Strategy, visit: www3.gov.ab.ca/hre/pdf/ growth.pdf

Alberta Human Resources and Employment supported and contributed through the participation on cross-ministry teams, to the development and adoption of the value-added strategy as outlined in the draft paper "Securing Tomorrow's Prosperity".

Under the Regional Economic Development pilot initiative with the Central Alberta Economic Partnership (CAEP) group, AHRE was and continues to be active on 3task groups to conduct a labour force study, facilitate access to federal programs and develop a regional economic forecast model.

The Department also supported the development of a strategy to meet the needs of rural Alberta. Work towards this strategy was initiated in late 2002/03.

Children and Youth

The Alberta Youth Employment Strategy (AYES), now known as the Youth Career Development and Employment Strategy (YCDS) continued to work together in servicing the Career and Youth in Transition Working Committee. Alberta Human Resources and Employment has been actively involved in this work that supports and assists youth in making a successful transition to adulthood. Over the past year, the Youth in Transition Working Committee worked to implement the Youth in Transition Policy Framework. It developed and utilized a process to review all Alberta Children and Youth Initiatives (ACYI) partnering ministries and relevant provincial board and agency policies affecting youth in transition. Over 100 policies, programs and practices were reviewed to assess their alignment with the vision, principle goals and strategic outcomes of the policy Framework.

The Working Committee met on a number of occasions to review the product of this assessment process and has developed a set of recommendations designed to maintain a focus on serving youth in transition in Alberta. The Working Committee created a report containing the recommendations for Deputy Ministers' consideration.

Aboriginal Policy

The Department is committed to increasing employment and training of Aboriginal people through partnerships with industry, Aboriginal organizations and other governments. In September 2002, the department entered into an agreement - the Partnership Framework Agreement on First Nations Employment - by teaming up with Oteenow Employment Training Society to increase information sharing and enhance the delivery of career services.

Continue to support other cross-ministry initiatives including the four Key Administrative Initiatives: Alberta Corporate Service Centre, Corporate Human Resource Development Strategy, Corporate Information Management/Information Technology Strategy and One Window Access Project

The Department supported all of the key administrative initiatives. Details are listed below:

(2) KEY ADMINISTRATIVE INITIATIVES

Corporate Human Resource Development Strategy

The Department continued to implement the Leadership Development Program to develop leadership behaviours using a variety of learning strategies. Over 160 staff are currently involved in the program. The program is seen as "leading edge" in leadership development and focuses on leadership at all levels of the organization, hence the expression "from the file room to the boardroom". The Department also had 5 Executive Manager-level employees participating in Corporate Executive Development. One hundred percent of employees are using the Performance Management Process, including multi-rater feedback and learning plans.

Alberta Corporate Service Centre

The Department worked, and continues to work, closely with Alberta Corporate Service Centre (ACSC) to ensure support services provided met the needs of the Department of AHRE. The Department led the development of the Contract Management Administration System (CMAS) and was first to implement the system on October 15, 2002.

In support of the Government of Alberta Enterprise Architecture (GAEA), AHRE provided resources to the Phase I framework creation and will continue to participate in working committees as the GAEA Compliance model is created.

Alberta One Window/Service Alberta

Alberta Human Resources and Employment shared best practices and the Alberta Learning Information Service (ALIS) with the One Window initiative. The Department continues to provide valuable support to this initiative.

Corporate Information Management/Information Technology Strategy

To ensure specific linkages exist between the department information technology and the corporate plan, the Department of AHRE completed the Citrix pilot, and upgraded email to the cross-government standard. The Department participated in GAEA, Supernet implementation team planning and other cross-government initiatives in support of the Information Communications Technology (ICT) plan.

(3) ROUTINE MAINTENANCE INITIATIVES

Homelessness Strategy

The Department of AHRE continues to be an active member of the interdepartmental Senior Officials Committee on Homelessness (SOCOH). The Department supported, and continues to support, local community agencies and organizations in their efforts to secure housing for homeless Albertans.

Canadian Intergovernmental Relations Strategy

As part of the Canadian Intergovernmental Relations Strategy, provincial and territorial ministers responsible for education and training released a paper titled "Working Together to Strengthen Learning and Labour Market Training" in October 2002. This paper identified areas of collaboration with the Government of Canada.

For more information on Canadian Intergovernmental Relations Strategy, visit www.cmec.ca/publications/educlabour.en.pdf

International Strategy

The Department assisted with the Government of Alberta's response concerning the softwood lumber dispute and the Kyoto Accord as a contribution to the cross-ministry International Strategy.

PERFORMANCE MEASURES

A wide range of training and employment, and financial assistance programs are available to individuals needing assistance. Client satisfaction with key department programs is a measure of the degree to which these programs are meeting the needs of the clients.

KEY PERFORMANCE MEASURES

6.1 Satisfaction of individuals who have used key departmental programs[44]

Key Departmental Programs	2000/01	2001/02	2002/03	Target
Employment and Training Programs and Job Placement	92%	93%	92%	90%
Career and Employment Assistance Services	82%	86%	85%	85%
Supports for Independence	70%	79%	69%	85%
Alberta Child Health Benefit	92%	n/a	99.5%	95%
Supports and services provided by the Office of the Public Guardian:				
• Service Providers	92%	n/a	89%	90%
• Private Guardians	86%	n/a	88%	90%

Sources: The Department of Alberta Human Resources and Employment – Infopac; Widows' Pension System; Alberta Child Health Benefit System.

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[44] **Further Notes:** Alberta Human Resources and Employment – Work Outcome Reporting Project (WORP) This is a census survey of all Short-Term Skills (non-Apprentices), Basic Foundation Skills Training program leavers, and Temporary Employment Program participants who are followed up by an independent contractor at either three months (LMDA clients) or six months after leaving the program. CEAS participants and clients receiving SFI are followed up through a random sample. This is an on-going project. Data presented include follow-up data on the question regarding overall satisfaction with the program (total of 4,875 participants).

Alberta Human Resources and Employment – Career Assistance Information System (CAIS), satisfaction with Training on the Job, Self-Employment, Skills for Work, and Job Placement was determined by clients' responses as to their overall satisfaction with the training programs and services provided. Satisfaction rates with these programs are reported by contracted agencies (total of 3,540 respondents).

Client satisfaction with the Alberta Child Health Benefit is obtained from a survey, which is conducted biennially. A total of 397 Alberta households were surveyed. This ensures accuracy to within ± 4.9 percentage points (19 times out of 20).

Service Provider and Private Guardian satisfaction with the Office of the Public Guardian is obtained from a survey, which is conducted biennially. There were a total of 406 private guardians and 223 service providers contacted in this survey. This ensures accuracy to within ± 4.7 percentage points for private guardians and ± 4.3 percentage points for service providers (19 times out of 20).

ANALYSIS

Client satisfaction with Employment and Training Programs and Job Placement, and with Career and Employment Assistance Services is high. The target was met or exceeded for both areas. The satisfaction results achieved each year are related to the types of clients accessing the programs and services and their ability to obtain work.

The Alberta Child Health Benefit (ACHB) addresses a significant barrier faced by low-income parents on assistance who are moving into the labour market. By providing premium-free health benefits to children in low-income families, ACHB promotes child health and helps families remain independent. Success is demonstrated by an increasing uptake of the program and extending coverage to more low-income families with children, as well as client satisfaction with the benefit program. The number of families registered with the program increased approximately 3% over last year. Client satisfaction with the ACHB was exceptionally high this year.

Client satisfaction with Supports for Independence (SFI) was low, reflecting historical trends for this measure. As respondents are surveyed six months after receiving benefits, client satisfaction may be affected by termination of benefits.

While Service Provider overall satisfaction with the support and services provided by the Office of the Public Guardian (OPG) marginally missed the target, this result is not statistically different than the 92% who were satisfied in 2001.[47] Private Guardian satisfaction was short of meeting the target by 2 percentage points. Although satisfaction appears to have increased over the 2000/01 results, this difference is also not considered statistically different. It is believed that the target was not met primarily due to higher levels of demand overall, reduced satisfaction associated with the "after hours" contact system, and reduced time for OPG representatives to spend with dependent adults as a result of increased responsibilities.

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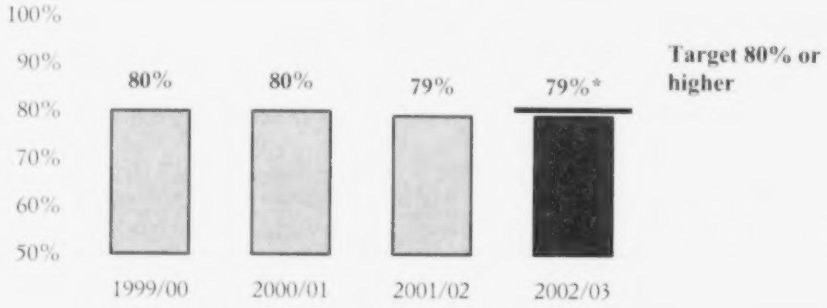
[47] Only changes from 2001 results that are statistically significant at a .05 level of confidence are considered statistically significant.

6.2 Percentage of dependent adults with private guardians[46]



Source: The Department of Alberta Human Resources and Employment – Office of the Public Guardian (OPG) Information System.
*In 2002/03, caseload for the year was based on the average monthly caseload. Prior to 2002/03, it was based on year-end caseload only (e.g. March 2001).

ANALYSIS

The Office of the Public Guardian (OPG) believes that the highest quality of support for dependent adults is provided by either family or community members under the provision of private guardianship and actively encourages this arrangement. In 2002/03, the percentage of dependent adults with private guardians was 79%, almost meeting the target of 80%. The OPG continues to encourage private guardians to assume responsibility whenever possible.

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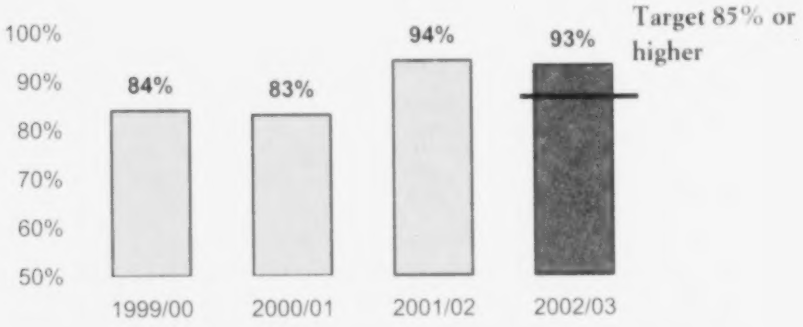
[46] The Office of the Public Guardian Information System collects data on the number of dependent adults registered with the Office of the Public Guardian.

6.3 Other government departments' perception of the department's contribution on key initiatives[47]



Source: The Department of Alberta Human Resources and Employment – Survey of Government Partners.

ANALYSIS

One of the Department of AHRE's key indicators of organizational performance is its ability to collaborate/cooperate with its partners from other organizations on joint projects. The Department contributed to the success of cross-government initiatives by providing resources, information, and effective leadership. Survey results indicate that partnering ministries found AHRE staff to be fair when collaborating with partners (93%), very approachable (97%), and helpful (97%). These results are consistent with the results of the survey conducted in the 2001/02 fiscal year.

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[47] Results are based on the question "Fairness of AHRE staff when collaborating with partners". An independent contractor conducted the survey. The 2002/03 analysis was 105 respondents (In 2000/01, there were 39 respondents and in 2001/02 there were 63 respondents). A five-point response scale was used in the 1999/00 survey instrument, while a four-point response scale was used in the 2000/01 survey instrument. This makes comparisons between the three years difficult.

SUPPLEMENTAL INFORMATION

6.2 Office of the Public Guardian Caseload[48]

Caseloads	2000/01	2001/02	2002/03*
Dependent adults (average monthly caseload)			
Public Guardian	1,913	1,991	1,977
Private Guardian	7,460	7,520	7,654

Source: The Department of Alberta Human Resources and Employment – Office of the Public Guardian (OPG) Information System.

*In 2002/03, caseload for the year was based on the average monthly caseload. Prior to 2002/03, it was based on year-end caseload only (e.g. March 2001).

ANALYSIS

The OPG assists adult Albertans who are unable to make personal decisions because of a mental disability or illness. The total number of dependent adults with a public guardian decreased, while the number of dependent adults with a private guardian increased. See Performance Measure 6.2 for more analysis.

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[48] The Office of the Public Guardian Information System collects data on the number of dependent adults registered with the Office of the Public Guardian.

PAD-
Integrated
Results Analysis

Integrated Results Analysis

(Program and Financial Information Combined)

(Pages 123-124)

Integrated Results Analysis for Core Business:

STRATEGIC DIRECTION AND SERVICES FOR HUMAN RESOURCE MANAGEMENT IN THE ALBERTA PUBLIC SERVICE

OBJECTIVES	PERFORMANCE MEASURES	2002/2003 Target	2002/2003 Results	Page
***Goal 1: Strategic Leadership**- Strategic leadership to departments in addressing cross-department human resource needs and issues, and developing and implementing the corporate human resource plan.*				
Greater integration and effectiveness in addressing priority human resource issues	Client satisfaction with human resource strategies and policy frameworks	Maintain at 80% or higher	81%	132
Increased ability for departments to meet their diverse human resource needs	Client satisfaction with working relationships with PAO	Maintain at 90% or higher	90%	132
***Goal 2: Alignment/Commitment**- Compensation and recognition programs that support contribution to government goals.*				
Enhance the effective use of performance management	% of employees who understand how their work contributes to their department's business plan	80%	75%	136
An effective and relevant total compensation strategy	% of employees who report their organization helps them know and understand how well they are performing	70%	61%	136
***Goal 3: Well-being**- A safe work environment and support to the well-being of employees.*				
Support employees in managing their own well-being	Time lost due to incidents/injuries (Workdays lost per 100 person years worked)	Maintain or reduce	62.7	139
Reduce incident/injury and illness/long-term disability (LTD) rates	Frequency of incidents/injuries (Lost-time claim rate per 100 person years worked)	Maintain or reduce	2.0	139
	Time lost due to general illness (Average number of days lost per) employee	Maintain or reduce	4.5	139
	Long-Term Disability (LTD) incidence rate (Number of new claims per 1,000 employees)	Maintain or reduce	9.7	139
***Goal 4: Competence/Versatility**- A workforce with the knowledge, skills and abilities to meet current and future needs.*				
Departments are positioned to respond to emerging and diverse human resource needs	% of managers who report their employees have the skills to meet current and future needs	90% current needs 80% future needs	90% current needs 83% future needs	143

ENVIRONMENTAL SCANNING

Public sector jurisdictions, including the Alberta public service, are facing a number of human resource challenges to ensure a skilled and available workforce for the future. These challenges are due in part to an aging workforce, anticipated retirements from the baby boomer generation and skills shortages in a number of occupational groups. The human resource challenges for the Alberta public service can be summarized as: ensuring leadership capacity for the future; attracting and retaining talent; and providing safe and healthy workplaces.

The following factors are important for attracting, retaining and engaging employees: challenging work, learning and development, recognition for work, work/life balance, competitive/fair base pay and benefits, and opportunities for advancement.

FINANCIAL RESOURCES		**Section Reference**
Financial Resources (Total Gross Expenditures, $000's):		*See Financial Analysis & Discussion section*
Planned Spending	8,051	
Actual Spending	7,882	
Variance	169	

KEY STRATEGIES

Page

Objective - *Greater integration and effectiveness in addressing priority human resource issues* 128

- Work with key stakeholders to develop the annual corporate human resource plan including the corporate human resource development strategy. Ensure its implementation through the development of complementary departmental plans and re-aligned human resources delivery
- Co-ordinate the use of the Corporate Human Resource Research and Development Fund to support priority human resource needs
- Provide support to cross-ministry initiatives

Objective – *Increased ability of departments to meet their human resource needs* 128

- Work with departments to promote excellence in service delivery across the public service
- Seek out and use information technology to enhance human resource decision making and effectiveness
- Provide expert human resource consulting
- Maintain an ongoing review of human resource directives and regulations to ensure they are current and relevant

Objective – *Enhance the effective use of performance management* 134

- Continue to partner with departments to implement enhanced performance management processes
- Work with departments to promote recognition of employee contribution to business plan goals
- Co-ordinate the Premier's Award of Excellence program

Objective – *An effective and relevant total compensation strategy* 134

- Continue to develop and review strategies to assist departments in compensating and rewarding employees
- Update the non-management classification plan using a phased-in approach
- Conduct collective bargaining

Objective – *Support employees in managing their own well-being* 137

- Deliver an employee assistance program for public service employees
- Promote targeted wellness initiatives in the Alberta public service

Objective - *Reduce incident/injury and illness/long-term disability (LTD) rates* 137

- Work with departments to promote and implement their occupational health and safety programs
- Work with high and medium risk departments to implement the Partnerships in Health and Safety program
- Continue to develop and enhance disability management initiatives

Objective – *Departments are positioned to respond to emerging and diverse human resource needs* 141

- Develop strategies to attract and retain new graduates and skilled employees
- Develop strategies to foster continuous learning and build leadership capacity
- Provide a corporate search program to attract and recruit executive managers and senior officials; assist departments in facilitating internal and external executive mobility; and provide search consulting for senior positions with significant agencies, boards and commissions

INTEGRATED RESULTS ANALYSIS: PERSONNEL ADMINISTRATION OFFICE

The PAO's budget of $8 million is utilized to provide strategic leadership in human resource management in the Alberta public service. Expenditures of $7.9 million supported the development of effective human resource strategies and policy frameworks in the areas of benefits, classification, compensation, labour relations, workforce development, staffing and occupational health and safety. As well, the key strategic support services of collective bargaining, employee assistance and executive search were delivered. Expenditures also included those made under the Corporate Human Resource Research and Development Fund. The Fund is used to support best practices research and to address the priorities of the Corporate Human Resource Plan. Priorities in the plan for 2002/03 were: building leadership capacity, attracting and retaining talent, performance management/human resource planning, and classification/collective bargaining.

PERSONNEL
ADMINISTRATION
OFFICE

GOVERNMENT'S PREFERRED FUTURE OF THE ALBERTA PUBLIC SERVICE (APS)

The Alberta public service is respected for its attitudes, knowledge and skills, its effective management of public policy and its dedication to achieving quality, affordable services for Albertans.

VISION

PAO—Building a strong public service.

MISSION

Our mission is to provide corporate human resource strategies, policy frameworks and strategic support services that enable departments to fulfill their business plans and achieve government's preferred future of the Alberta public service. Our mission supports the government's core businesses of people, prosperity and preservation.

CORE BUSINESS

Provide strategic direction and services for human resource management in the Alberta public service.

CHALLENGES AND OPPORTUNITIES

As an employer, the Government of Alberta is operating in a competitive labour market with global influences and will need to compete effectively for talent to ensure that Albertans continue to receive quality, affordable services. To accomplish this, the Personnel Administration Office works with departments to position the Alberta public service as an employer of choice. The PAO continues to develop effective human resource policies and strategies that ensure a safe work environment, build leadership capacity and attract and retain employees.

GOALS

Strategic Leadership

Strategic leadership to departments in addressing cross-department human resource needs and issues, and developing and implementing the corporate human resource plan.

Alignment/Commitment

Compensation and recognition programs that support contribution to government goals.

Well-Being

A safe work environment and support to the well-being of employees.

Competence/Versatility

A workforce with the knowledge, skills and abilities to meet current and future needs.

AUDITOR
GENERAL
Alberta

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Measures

To the Members of the Legislative Assembly

In connection with the Personnel Administration Office's performance measures included on pages 128 to 144 of the *2002-2003 Annual Report of the Ministry of Alberta Human Resources and Employment* I have:

Key measures

1. Agreed information from an external organization to reports from the organization.

2. Agreed information from reports that originated within the Ministry to source reports. In addition, I tested the procedures used to compile the underlying data into the source reports.

3. Checked that the presentation of results is consistent with the stated methodology.

4. Checked that the results presented are comparable to stated targets, and information presented in prior years.

5. Checked that the key performance measures, as well as targets, agree to and include results for all of the measures presented in Budget 2002.

Supplemental information

6. Agreed the information to source reports. In addition, I checked that the supporting narrative is consistent with the information.

As a result of applying the above procedures, I found no exceptions. These procedures, however, do not constitute an audit and therefore I express no opinion on the Personnel Administration Office's performance measures included in the *2002-2003 Annual Report of the Ministry of Human Alberta Human Resources and Employment*.

Fred J Dunn

FCA
Auditor General

Edmonton, Alberta
August 5, 2003

Personnel Administration Office

Detailed Program Results Analysis And Discussion

goals, strategies, measures, desired results

Goal 1: **Strategic Leadership: Strategic leadership to departments in addressing cross-department human resource needs and issues, and developing and implementing the corporate human resource plan**

STRATEGIES

Greater integration and effectiveness in addressing priority human resource issues:

- Work with key stakeholders to develop the annual corporate human resource plan including the corporate human resource development strategy. Ensure its implementation through the development of complementary departmental plans and re-aligned human resources delivery.
- Co-ordinate the use of the Corporate Human Resource Research and Development Fund to support priority human resource needs
- Provide support to cross-ministry initiatives

Increased ability of departments to meet their human resource needs:

- Work with departments to promote excellence in service delivery across the public service
- Seek out and use technology to enhance human resource decision-making and effectiveness
- Provide expert human resource consulting
- Maintain an ongoing review of human resource directives and regulations to ensure they are current and relevant

RESULTS

The Personnel Administration Office (PAO) provided leadership and co-ordination to the Corporate Human Resource Plan and the Corporate Human Resource Development Strategy. Additional information on results achieved and performance measures are reported under goals 2, 3, and 4.

The Corporate Human Resource Plan is developed annually in conjunction with Human Resource Directors and approved by the Deputy Minister Committee. This includes the development and approval of performance measure targets. Priorities for 2002/03 were: building leadership capacity, attracting and retaining talent, performance management/human resource planning, and classification/collective bargaining.

The first three priorities of the Corporate Human Resource Plan form the Corporate Human Resource Development Strategy. The strategy was one of the cross-ministry (key administrative) initiatives for 2002/03. These initiatives are established annually by the Government of Alberta and represent those initiatives that would benefit from a strategic interdepartmental approach to achieving results. The PAO continued to provide leadership and co-ordination for the initiatives under the strategy.

The Government of Alberta has been recognized by other jurisdictions and organizations as a leader in human resource development strategies. The Corporate Human Resource Development Strategy was featured in the Spring 2002 edition of the *Canadian Government Executive* magazine and workplace learning strategies were shared at a Conference Board of Canada conference on attracting and retaining talent. In addition, presentations were made to a number of visiting international delegations including those from China and South Africa, enhancing the international reputation of the Alberta public service as a leader in strategic human resource management.

The PAO helped to promote excellence in service delivery across the public service through a number of service excellence initiatives. These included the provision of quality customer service training, updating the "*Making Service Stronger*" guidebook and the development of a service excellence recognition program.

The PAO continued to maximize the use of current and new technology when developing and implementing new programs or strategies.

- Supported the upgrade of the integrated management information system for human resources (IMAGIS) through participation on the project steering team, ministry readiness committee and user acceptance testing.

- Participated in the continuing review of the functionality of *AGent* (the Alberta Government Employee Network), which facilitates employee self-service functions like updating of personal information and pay cheque/benefits viewing.

For more information on positions available with the Government of Alberta, visit: www.gov.ab.ca/jobs

- Continued to accept employment applications online. Applicants can apply online for all Government of Alberta positions posted to *The Bulletin Online* and can view the ongoing status of competitions. As of March 31, 2003, about 64% of applicants used the online application process.

- Developed a new employee orientation Web site and enhanced the employment Web site.

In February 2003, a new Security Screening Directive was implemented for selected positions with the Alberta public service. This directive helps to ensure that the Government of Alberta, as an employer, has been duly diligent in filling designated positions where individuals will have a responsibility for the stewardship of government resources.

Prior to implementing the new Security-Screening Directive, a privacy impact assessment was developed and approved by the Information and Privacy Commissioner to ensure compliance with the *Freedom of Information and Protection of Privacy Act*. As well, there is now a requirement, supplementing the Code of Conduct and Ethics, for employees to disclose when they are charged with a criminal or statutory offence.

PERFORMANCE MEASURES

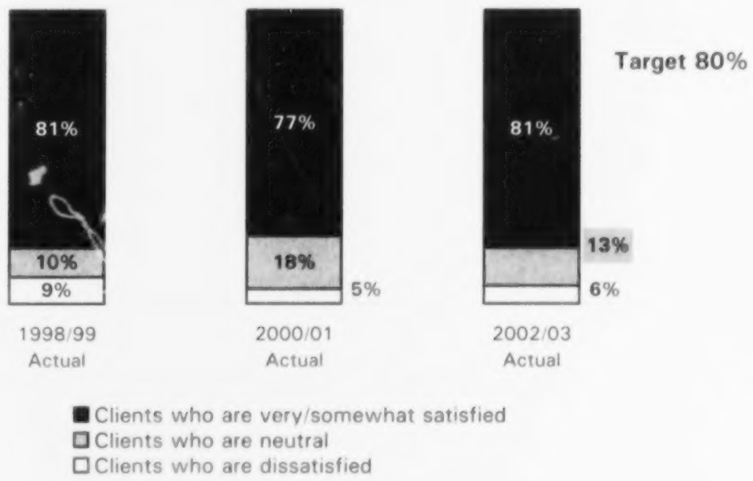
The Personnel Administration Office (PAO) conducts a comprehensive survey of client satisfaction every two years with its primary clients (deputy ministers and their executive committees, human resource directors and human resource professionals in government departments). The survey was conducted in the fall of 2002.

To measure client satisfaction, an independent survey organization, Research Innovations Inc., conducted a census survey of PAO's clients using a combination of telephone, personal interviews and web/e-mail based data collection methods. Of the 363 clients eligible to participate, 309 participated in the study. Data on measures of overall satisfaction with working relationships with PAO and overall satisfaction with PAO's human resource strategies and policy frameworks was collected through either a personal interview or by telephone, in order to be consistent with prior surveys. Individual responses were categorized on a scale of 1 to 5 ranging from very satisfied to very dissatisfied. Results were averaged to give each group equal weight.

ANALYSIS

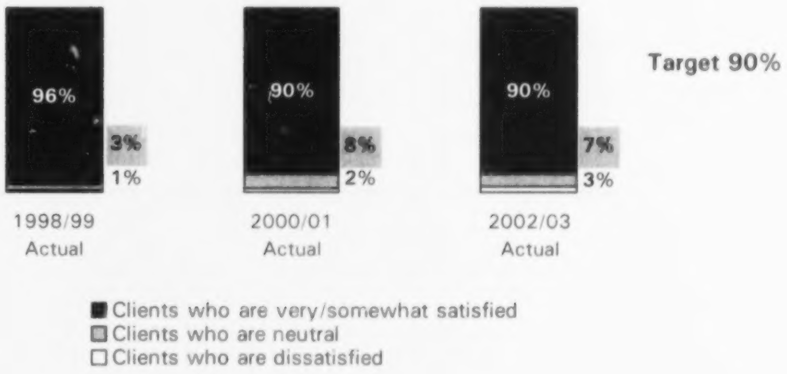
Client Satisfaction

In the 2002/03 survey, 81% of clients were somewhat or very satisfied with the corporate human resource strategies and policy frameworks developed by the PAO. This is a 4% increase over the previous survey and is slightly above the established target. The number of dissatisfied clients increased slightly from the previous survey, while the number of clients who were neutral (neither satisfied or dissatisfied) decreased. The next survey will be conducted in 2004/05.



Client Satisfaction with Human Resource Strategies and Policy Frameworks

In regard to how satisfied clients were with their working relationships with PAO, the results showed that their satisfaction remained high at 90%, meeting the target.



Client Satisfaction with Working Relationships with the Personnel Administration Office

Supplemental Information

The PAO tracks and regularly reviews human resource directives and regulations to ensure that the regulatory framework for human resource management is appropriate and meets the government's regulatory reform objectives. The number of regulations remained constant in 2002/03 and the number of directives increased as a result of the introduction of a market modifier directive in June 2002 and a Security-Screening Directive in February 2003. The PAO continues to review all human resource directives at least once every 3 years.

Number of Human Resource Regulations and Directives

	2000/01 Actual	2001/02 Actual	2002/03 Actual
Regulations	4	4	4
Directives	105	107	109

Source: Personnel Administration Office (www.pao.gov.ab.ca)

The PAO represents the interests of the Government of Alberta as an employer, in the resolution of disputes in the form of employee grievances or other disputes arising from the workplace. The PAO manages the dispute resolution process when a dispute remains unresolved and is referred to an arbitration board. In 2002/03, the number of grievances that progressed to the arbitration level remained constant. The majority of grievances continue to be resolved prior to arbitration.

Labour Relations Statistics

	2000/01 Actual	2001/02 Actual	2002/03 Actual
Number of current year arbitration level grievances	32	33	33

Source: Personnel Administration Office.

Goal 2: Alignment/Commitment: Compensation and recognition programs that support contribution to government goals.

STRATEGIES

Enhance the effective use of performance management

- Continue to partner with departments to implement enhanced performance management processes
- Work with departments to promote recognition of employee contribution to business plan goals
- Co-ordinate the Premier's Award of Excellence program

An effective and relevant total compensation strategy

- Continue to develop and review strategies to assist departments in compensating and rewarding employees.
- Update the non-management classification plan using a phased-in approach
- Conduct collective bargaining

RESULTS

The Office of the Auditor General (OAG) of Alberta conducts an annual audit of human resource management and in 2002/03, the OAG reported successful implementation of two recommendations:

- That department human resource planning continues to be improved and incorporated into the business planning process; and
- That the Personnel Administration Office (PAO) and Deputy Ministers ensure performance management systems clearly support government and department business plans.

Performance management was a priority area under the Corporate Human Resource Development Strategy and recommendations for enhanced performance coaching and recognition were identified and endorsed by the Deputy Minister Steering Team for the strategy, for implementation in 2003/04. An advisory team of senior and executive managers was established to provide implementation advice and support.

A session was held for individuals in the human resource community to promote understanding and use of the *Guide to Human Resource Planning* that was developed to assist departments in more closely linking their human resource planning processes to the business planning process. A PowerPoint presentation for department executive committees was developed and provided to departments as a tool to help with their human resource planning process.

The Premier's Award of Excellence Program is a prestigious corporate recognition program that supports continuous learning and best practices in the Alberta public service. The program provides an opportunity to encourage service excellence including, superior performance, assessing progress and identifying ongoing improvements in the public service. In 2002, 45 submissions were received and 22 teams were recognized with awards.

For more information visit: www.pao.gov.ab.ca/premier

The Personnel Administration Office (PAO) continued to lead and co-ordinate the government-wide initiative to convert the non-management classification plan to a modified Hay methodology (the Point Rating Evaluation Plan). This project involves ongoing collaboration with departments and the Alberta Union of Provincial Employees.

- The plan was successfully implemented for Subsidiary 2 (Administrative and Program Services) and the Opted Out and Excluded employee groups. New minimum recruitment standards were developed and implemented as well. A small number of appeals from these employee groups were underway at the end of March 2003.
- In addition, plans were developed for converting the remaining subsidiary groups, with work commencing on Subsidiary 12 (Technical, General and Field Services), Subsidiary 9 (Health and Therapy and Program Services) and Subsidiary 10 (Medical and Rehabilitative Services).

The PAO concluded work arising from the previous round of collective bargaining related to the Employment Standards Code. An agreement was reached with respect to the hours of work provisions for the worksites with continuous operations.

A Guidebook for designated officers who hear grievances was written to assist them in better understanding their mandate within the grievance process. The *Designated Officer's Guidebook* will be distributed to all departments and consultation will be provided through the Labour Relations area of PAO.

PERFORMANCE MEASURES

Measurement data under this goal is collected through the annual Corporate Employee Survey (previously "Core Measures Survey"), through department reports submitted on the Corporate Human Resource Development Strategy, and through the IMAGIS system.

Measures of employee satisfaction have been established and annual surveys have been conducted since 1996. The 2002/03 Corporate Employee Survey was conducted by an independent survey organization, Research Innovations

Inc. Data was collected in October/November of 2002 from 7,068 Government of Alberta employees using a combination of online and telephone surveying. The margin of error was no greater than ± 5% at the 95% confidence level.

Corporate Human Resource Plan Measures	2000/01 Actual	2001/02 Actual	2002/03[49] Actual	2002/03 Target
% of employees who understand how their work contributes to their department's business plan	78%	81%	75%	82%**
% of employees who understand how the work of their department contributes to government business plan goals*	71%	77%	71%	75%
% of employees who report their organization helps them know and understand how well they are performing	68%	67%	61%	70%
% of employees who are satisfied with their employment in the Alberta public service*	85%	84%	81%	82%

* Supplemental information.

**Target adjusted mid-year from 80% to 82% to be consistent with the Corporate Human Resource Plan.

ANALYSIS

Seventy-five per cent of employees surveyed understand how their work contributes to their department's business plan and 71% of employees understand how the work of their department contributes to government business plan goals.

Performance management continued to be a key priority under the Corporate Human Resource Plan. Sixty-one per cent of employees reported their organization helps them know and understand how well they are performing which was below the target of 70%. A strong emphasis continues to be placed on performance management and work in this area is ongoing. The satisfaction of employees with their jobs in the public service continues to remain high at 81%.

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[49] The methodology used in 2002/03 was a change from previous years, when data was collected by phone only. All measures reported for 2002/03 represent data collected using the combination of online and telephone methodology.

Goal 3: Well-Being: A safe work environment and support to the well-being of employees

STRATEGIES

Support employees in managing their own well-being

- Deliver an employee assistance program for public service employees
- Promote targeted wellness initiatives in the Alberta public service

Reduce incident/injury and illness/long-term disability (LTD) rates

- Work with departments to promote and implement their Occupational Health and Safety Programs
- Work with high and medium risk departments to implement the Partnerships in Health and Safety Program
- Continue to develop and enhance disability management initiatives

RESULTS

The Personnel Administration Office (PAO) delivers the Employee Assistance Program, which provides assessment, diagnostic, short-term counselling and referral services on behavioral health issues for employees within the public service and their immediate families. Other services include responding to immediate requests for critical incident debriefings and providing advice to managers in addressing a variety of behavioural health issues in the workplace.

The PAO demonstrated ongoing leadership in the area of occupational health and safety by maintaining its Certificate of Recognition under the Partnerships in Health and Safety program.

The PAO is the Certifying Partner for the Government of Alberta in the province-wide Partnerships in Health and Safety Program. Sixteen audits were conducted in the 2002/03 year. There were 43 certified auditors in 2002/03 and coaching was provided for 16 qualifying auditors.

The year 2002 marked the Silver Anniversary of the Government of Alberta Occupational Health and Safety Program. In collaboration with the Alberta Union of Provincial Employees (AUPE), numerous activities and events were held during the year to celebrate the 25-year anniversary:

- Silver Anniversary edition of the Government of Alberta OHS Program
- The Harold Gerling Memorial Awards
- "Going for Gold" OHS Conference for Alberta public service employees
- Quarter Century Club for those whose years of service matched or exceeded the life of the program

- Commemorative pins and clothing.

A number of Occupational Health and Safety strategies and processes were finalized in 2002/03:

- A revised hazard assessment process, which will provide a consistent approach for the Alberta Government and can be used by "lay" assessors in accordance with the newly revised legislation (OHS Act/General Safety Requirements/Code).
- An Incident Investigation protocol that will be implemented concurrently with the hazard assessment process.
- An Ergonomics Strategy, which commenced with a pilot offering in February 2003 to OHS Co-ordinators and departmental representatives.

The PAO partnered with the Institute of Public Administration of Canada to sponsor a one-day Wellness in the Workplace conference that was offered to all Alberta public service employees.

As part of disability management, PAO continued to co-ordinate services under the Employee Support and Recovery Assistance (ESRA) program. This voluntary program is designed to assist employees with recovery assistance and an earlier return to work from an illness or injury leave. This year, ESRA assisted 126 employees in an earlier return to work.

PERFORMANCE MEASURES

The measures shown on the chart below provide information on the time lost due to incidents, injury and illness in the Alberta public service and their related costs.

- Workdays lost measures the number of workdays that employees lost due to injury, relative to the total hours worked. This information is based on disabling injuries that occurred in the calendar year. Days lost from within that calendar year and up to the end of March of the following year for those incidents are included. The methodology is consistent with the methodology used by Alberta Human Resources and Employment.
- Frequency of incidents/injuries is based on a standard formula that calculates the number of lost-time claims per 100 person years worked.
- Time Lost to General Illness measures the average number of general illness days taken per employee across the Alberta public service. General illness covers absences due to illness or injury greater than 3 days to a maximum of 80 days.

- Cost of General Illness captures salary costs for general illness absences.
- The Long-Term Disability (LTD) incidence rate measures the number of new Long-Term Disability claims per 1,000 employees. The total number of employees includes a small number who are within the first 3 months of their employment that would not be eligible for LTD benefits.

Well-Being Performance Measure (Calendar Year)	Source	2000 Actual	2001 Actual	2002 Actual	2002 Target
Workdays lost (per 100 person years worked)[1] Number of working days lost X 200,000 hours Employee Hours worked	See Note*	Methodology Revised	53.8	62.7***	Maintain or reduce
Frequency of Incidents/Injuries (Lost-time claims per 100 person years worked)	IMAGIS** Occupational Health & Safety Database	Methodology revised	1.7	2.0***	Maintain or Reduce

Well-Being Performance Measures (Fiscal Year)	Source	2000/2001 Actual	2001/2002 Actual	2002/03 Actual	2002/03 Target
Time lost to General Illness (Average # of days lost per employee)	IMAGIS** Database	4.4 days per employee	4.2 days per employee	4.5 days per employee***	Maintain or reduce
Cost of General Illness ($ Thousands)****	IMAGIS** Database	$13,200	$15,200	$17,300***	Maintain or reduce
Long-Term Disability (LTD) Incidence Rate (Number of new claims per 1,000 employees)	IMAGIS** Database, PAO, Great West Life	13.9 per 1,000 employees	11.8 per 1,000 employees	9.7 per 1,000 employees	Maintain or reduce

* Note: 2001 workdays lost compiled from IMAGIS Human Resource Database, WCB data and Emergency payroll system; 2002 workdays lost compiled from IMAGIS Occupational Health & Safety Database.

** IMAGIS is the integrated management information system for human resources in the Government of Alberta.

*** Preliminary data.

****Supplemental Information

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[1] For consistency with Alberta Human Resources and Employment's presentation, a base of 100 person years is used rather than the base of 10,000 person days included in Budget 2002.

ANALYSIS

The frequency rate reports on disabling injuries, which are defined as an injury where the employee misses the next day (shift) or subsequent work time with the cause attributable to the workplace where the injury was suffered.

There was an increase in the number of workplace disabling injuries from 2001 to 2002, mainly as a result of increased activity in forest fires, and increases in the total number of disabling injuries in correctional facilities, and in interactions with clients. The largest number of injuries were strains, sprains, bruises and fractures.

The average time lost and cost per employee to general illness increased slightly in 2002/03. There was an increase in the number of days employees were absent and an increase in their average salary. Data for the Alberta public service indicates that older workers tend to be off work for longer periods of illness leave. The incidence of new long-term disability claims decreased to 9.7 per 1,000 employees.

Initiatives such as the Employee Support and Recovery Assistance program, the Employee Assistance Program and the Partnerships in Health and Safety program assist the public service in reducing the incidence and/or severity of injury or illness and the related time away from work. The Personnel Administration Office (PAO) continues to work with departments to ensure that disability management supports and strategies are in place within the public service.

SUPPLEMENTAL INFORMATION

The Employee Assistance Program provides assessment, diagnostic, short-term counselling and referral services on behavioral health issues for employees within the public service and their immediate families. There continued to be a steady demand for services with 869 cases in 2002/03.

Employee Assistance Program Statistics

	2000/01	2001/02	2002/03
Number of clients accessing Employee Assistance Program	614	860	869

Source: Personnel Administration Office.

Goal 4: Competence/Versatility: A workforce with the knowledge, skills, and abilities to meet current and future needs

STRATEGIES

Departments are positioned to respond to emerging and diverse human resource needs.

- Develop strategies to attract and retain new graduates and skilled employees
- Develop strategies to foster continuous learning and build leadership capacity
- Provide a corporate search program to attract and recruit executive managers and senior officials; assist departments in facilitating internal and external executive mobility; and provide search consulting for senior positions with significant agencies, boards and commissions.

RESULTS

There were a number of initiatives related to building leadership capacity and attracting and retaining talent under the Corporate Human Resource Development Strategy in 2002/03.

The Corporate Executive Development Program is designed to build leadership capacity within the Alberta public service and ensure that well qualified individuals are ready to assume senior leadership positions at the Deputy Minister (DM) and Assistant Deputy Minister (ADM) levels. The focus of the program is to support Executive Managers through development in current roles and in preparation for these opportunities.

Several components of Corporate Executive Development were implemented this year:

- Development of Deputy Minister and Assistant Deputy Minister profiles
- Competency sessions for 3 of the 5 key competencies, 2 Cross Ministry Initiative Sessions and 3 Deputy Minister Quarterly Forums
- Three enrollments of Executive Assessment Services (representing participation by approximately one quarter of all executives in the Alberta public service)
- Introduction of the Executive Orientation Program
- Interview Support through Executive Search, and
- A University of Alberta Advisory Team was established.

Leadership continuity planning continues to be a priority for departments. In 2002/03, departments reported that succession plans were in place for all leadership critical positions reporting to deputy ministers. To facilitate the sharing of information, a knowledge transfer guide was drafted and 7 knowledge transfer pilots in 4 departments were commenced.

The Alberta public service competency model was updated to reflect current direction and to establish organizational expectations for critical on-the-job behaviours for all employees. Assessment Services were updated to incorporate the revisions to the model.

The Ambassador Program continued to support departments' efforts to market the Alberta public service as an attractive employer. As of March 31, 2003, there were 177 ambassadors. Ambassadors participated in 11 career fairs and a variety of forums, conferences and presentations across the province. Orientation sessions, as well as various materials and supports, were provided to Ambassadors to assist them in their role.

There were 604 work experience, co-op and internship placements across the public service in 2002/03. A brochure was developed to promote internships in the Alberta public service, and sessions were provided for interns/students and recent graduates in the Alberta public service on various topics related to professional development.

Under the attraction and retention initiative new tools to market the Alberta public service were implemented including a new look to job advertisements, a recognition program for quality job advertisements, an enhanced employment Web site and a newly developed orientation Web site. Copywriting workshops were provided to members of the human resource community.

Executive Search continued to provide executive recruitment and selection consulting services and facilitated lateral transfers and exemptions from competition. For the Corporate Executive Development program, Executive Search co-ordinated the development of the Deputy Minister and Assistant Deputy Minister profiles, developed interview support options and offered individual coaching for program participants.

PERFORMANCE MEASURES

Data for the performance measure associated with this goal is gathered through the annual Corporate Employee Survey (for methodology refer to pages 135-136).

Corporate Human Resource Plan Measure	Source	2000/01 Actual	2001/02 Actual	2002/03 Actual[51]	2002/03 Target
% of managers who report their employees have the skills to meet current and future needs	Corporate Employee Survey	92% current 81% future	90% current 80% future	90% current 83% future	90% current 80% future
Employee's assessment of organizational support for their learning to meet current and future needs*	Corporate Employee Survey	76% current 66% future	79% current 67% future	66% current 52% future	73% current 62% future

*Supplemental information.

ANALYSIS

In 2002/03, 90% of managers reported that their employees have the skills to meet current needs, which is the same as the previous year and still on target. Eighty-three percent reported their employees have the skills to meet future needs, which exceeded the target by 3%. Results continue to be strong in this area.

Employee assessment of organizational support for their learning to meet current and future needs decreased in 2002/03. Results indicate that a continued emphasis on this priority is required.

SUPPLEMENTAL INDICATOR

The number of competitions conducted by Executive Search increased in 2002/03. Sixty-four competitions were conducted (5 of which were carried forward from 2001/02). These competitions involved service to 17 departments, 7 significant agencies, boards and commissions and the Legislative Assembly. The 2002/03 point-of-service client surveys indicated Executive Search clients were satisfied with the service provided.

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[51] The methodology used in 2002/03 was a change from previous years, when data was collected by phone only. All measures reported for 2002/03 represent data collected using the combination of online and telephone methodology.

Executive Search Statistics

	2000/01	2001/02	2002/03
Number of Competitions			
Open	28	26	44
Limited	17	17	20
Total	45	43	64
Competitions Managed			
Senior Official/ Deputy Minister	1	4	6
Executive Manager II	9	16	9
Executive Manager I	29	14	37
Other Levels	1	2	6
Other	5	7	6
Total Competitions Managed	45	43	64

Source: Personnel Administration Office.

Includes agencies, boards and commissions and Legislative Assembly Officers.

Includes a competition filled through a secondment.

Supplementary Information

BENEFIT PLANS

The following 2 tables provide statistics on the benefits paid and usage of employee benefit plans. A description of the plans accompanies each table.

Plan		Benefits Paid (in $ Thousands)		
		2000/01	2001/02	2002/03
Basic Group Life Insurance	Bargaining Unit Deaths	41	33	30
	Total Benefits Paid	$2,802	$2,506	$2,077
	Management and Excluded Deaths	9	10	12
	Total Benefits Paid	$1,434	$1,507	$1,688
Accidental Death and Dismemberment Insurance	Bargaining Unit Deaths	0	2	0
	Total Benefits Paid	$0	$251	$0
	Management and Excluded Deaths	1	0	0
	Total Benefits Paid	$83	$0	$0
Dependents' Life Insurance	Bargaining Unit Deaths	16	20	21
	Total Benefits Paid	$106	$134	$132
	Management and Excluded Deaths	10	9	9
	Total Benefits Paid	$90	$80	$85
Enhanced Life Insurance	Deaths	4	6	4
	Total Benefits Paid	$894	$804	$848
Retiree Life Insurance	Bargaining Unit Deaths	136	173	172
	Total Benefits Paid	$408	$522	$520
	Management and Excluded Deaths	40	36	42
	Total Benefits Paid	$124	$108	$130

Sources: Personnel Administration Office; Great-West Life.

About The Plans

Basic Group Life Insurance

A lump sum is paid to the beneficiary on the employee's death. A partial advance payment of the total coverage may be paid to a terminally ill employee. The employer pays two thirds, and the employee pays one third of the premium.

Accidental Death and Dismemberment Insurance

This policy provides additional benefits if death was accidental, or if an accident causes loss of use of limbs. The employer pays two thirds, and the employee one third of the premium.

Dependents' Life Insurance

Employee-funded, this benefit is paid to the employee on the death of an insured spouse or child.

Enhanced Life Insurance

Employee-funded, this additional optional coverage is based on a multiple of annual salary and is available to management and non-union employees.

Retiree Life Insurance

The bargaining unit plan provides a $4,000 benefit to the beneficiary on the death of the insured retired employee. The management and excluded plan provides a $3,000 benefit to the beneficiary on the death of the insured retired employee if the employee retired or terminated with 10 to 20 years of service, and $5,000 with 20 or more years of service.

BENEFIT PLANS

Plan		Benefits Paid (in $ Thousands)		
		2000/01	2001/02	2002/03
Extended Medical Benefits and Prescription Drug Plans	Bargaining Unit Extended Medical Benefits Paid	$8,087	$9,849	$10,775
	Management and Excluded Extended Medical Benefits Paid	$933	$1,191	$1,265
	Management and Excluded Prescription Drug Benefits Paid	$2,639	$3,072	$3,387
Travel-Occupational Accident Insurance	Deaths	0	0	0
	Benefits Paid	$0	$0	$0
Dental Plans	Bargaining Unit Benefits Paid	$8,000	$8,750	$9,154
	Management and Excluded Benefits Paid	$4,280	$4,918	$4,873
Long-Term Disability Income Continuance Plan	Benefits Paid	$21,104	$20,189	$19,988
	Number of Employees receiving benefits	1,161	1,100	1,059
	Number of new claims during the year	275	244	200

Sources: Personnel Administration Office; Blue Cross; Great-West Life; Clarica; Canada Trust.

About The Plans

Extended Medical Benefits and Prescription Drug Plans

The bargaining unit extended medical benefits plan provides optional coverage for prescription drugs and other medical services. Employees and the employer each pay 50% of the premiums. The *1st choice* plan for managers and non-union employees is composed of two optional plans. One plan provides core and enhanced coverage for extended medical services; the other plan provides core and enhanced prescription drug coverage. There is a sharing of premiums between the employer and participating employees.

Travel-Occupational Accident Insurance

This plan covers wage and a small number of other employees who are not covered under the life insurance plan. The plan is employer-funded and is for accidents causing death or dismemberment which occur at work or when traveling on government business. The principal benefit is equal to 4 times an employee's salary to a maximum of $125,000.

Dental Plans

The bargaining unit and core management plans reimburse up to 80% for basic dental services and, up to 50% for major services and orthodontic services (within annual limits). An enhanced employee-paid plan under the *1st choice* program for management and non-union employees provides a higher reimbursement level. All plans cover the employee, the employee's spouse and eligible children.

Long-Term Disability Income Continuance Plan

Employees unable to perform at least 60% of their job duties or undertake employment due to their medical condition are provided with benefits equal to 70% of their pre-disability salary. Employees capable of returning to work receive rehabilitation and re-employment assistance.

EMPLOYEE FUNDED LEAVE PROGRAM

Employees may regularly set aside a portion of their salaries with the trustee for this program. They receive the deferred salary back at a later date while on a leave of absence ranging from 4 to 12 months in length. The value of the program fund at March 31, 2003, was $282,627.

PROFILE OF THE ALBERTA PUBLIC SERVICE

As at March 31, 2003, there were 21,984 salaried[14] employees in the Alberta public service, a slight increase over March 31, 2002, when there were 21,459 employees.

Distribution of Staff by Department

Department	Employees	Percentage of Public Service
Aboriginal Affairs & Northern Development	61	0.3%
Agriculture, Food and Rural Development	1,022	4.6%
Children's Services	2,556	11.6%
Community Development	2,145	9.8%
Economic Development	232	1.1%
Energy	561	2.6%
Environment	761	3.5%
Executive Council	44	0.2%
Finance	185	0.8%
Gaming	37	0.2%
Government Services	1,685	7.7%
Health and Wellness	759	3.5%
Human Resources & Employment	2,113	9.6%
Infrastructure	862	3.9%
Innovation and Science	200	0.9%
International & Intergovernmental Relations	58	0.3%
Justice & Attorney General	2,053	9.3%
Learning	1,060	4.8%
Legislative Assembly	78	0.4%
Municipal Affairs	326	1.5%
Office of the Auditor General	117	0.5%
Officer of the Chief Electoral Officer	9	0.0%
Office of the Ethics Commissioner	2	0.0%
Office of the Information and Privacy Commissioner	30	0.1%
Office of the Ombudsman	16	0.1%
Personnel Administration Office	79	0.4%
Public Affairs Bureau	197	0.9%
Revenue	285	1.3%
Seniors	222	1.0%
Solicitor General	1,972	9.0%
Sustainable Resource Development	1,403	6.4%
Transportation	854	3.9%
	21,984	100.0%

Source: IMAGIS database (the integrated management information system for human resources for the Government of Alberta), Legislative Assembly Office; Office of the Ethics Commissioner; Office of the Information and Privacy Commissioner.

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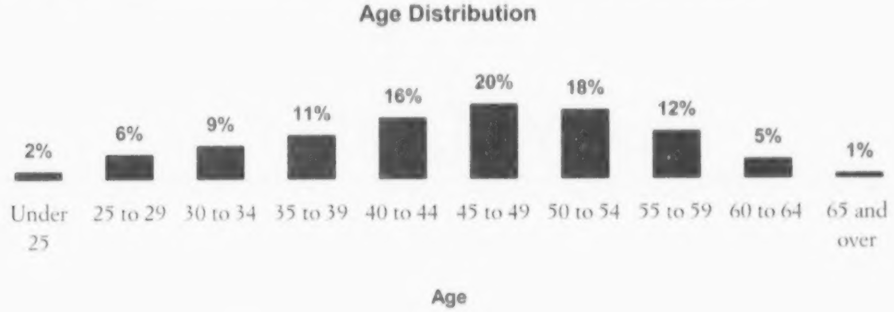
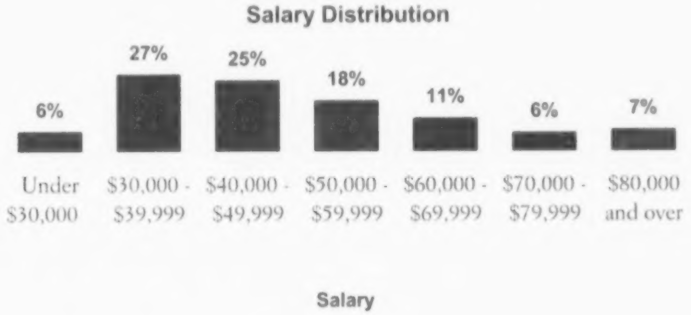
[14] Salaried staff includes permanent, temporary and long-term wage employees.

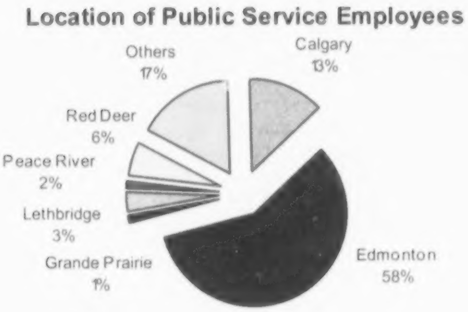
The following charts include permanent, temporary and long-term wage employees. Data is obtained from IMAGIS.

The average age of salaried public service employees remained at 45 in 2002/03.



The average annual salary of permanent full-time public service employees in 2002/03 was $51,704.





ALRB-
Integrated
Results Analysis

Integrated Results Analysis

(Program and Financial Information Combined)

(Pages 151 - 153)

Integrated Results Analysis for Core Business:

MEDIATION/INVESTIGATION

DESIRED RESULTS	PERFORMANCE MEASURES	Target	Results (Actual)	Variance	Page
Goal 1: The Alberta labour relations community receives timely, effective and efficient services.					
1.1 Reduced number of days from the acceptance of an application to the date of the first hearing	1.1 Average number of days from the acceptance of an application to the date of the first hearing *(New measure)*	52	45	(7)	158

FINANCIAL RESOURCES			Page
Financial Resources (Total Gross Expenditures, $000's):			
	Planned Spending	1,257	*See Financial Analysis & Discussion section*
	Actual Spending	1,336	
	Variance	(79)	

ENVIRONMENTAL SCANNING

- The state of the economy influences much of the labour relations activity in Alberta. Large energy-based mega-projects not only impact construction labour relations, but also the economic and collective bargaining spin-offs from such projects influence labour relations in the other sectors. The 2 to 3 year collective agreement cycles in the various sectors can also vary labour relations activity.

KEY STRATEGIES	Page
Desired Result 1.1	
• Investigate applications in a timely and accurate manner to ensure early resolution of differences	158

KEY INITIATIVES	Page
Desired Result 1.1	
• To regularly monitor overall and individual caseloads for the purpose of applying extra resources to those cases that require them	158

INTEGRATED RESULTS ANALYSIS

The number of matters that were processed by the Board was down approximately 7% from 2001/02 to 2002/03 due to environmental factors. The increased experience of the Board's Labour Relations Officers, combined with caseload monitoring initiatives designed to speed the processing of applications, resulted in the Board surpassing its stated goal by 13%. Staff turnover and changes in the provinces economic picture may not allow for similar deviations from expected performance measures in the coming year.

Integrated Results Analysis for Core Business:
MEDIATION/ADJUDICATION

DESIRED RESULTS	PERFORMANCE MEASURES	Target	Results (Actual)	Variance	Page
Goal 2: The Board promotes the use of Alternative Dispute Resolution methods to resolve issues before reaching formal hearings					
2.1 Use of Alternative Dispute Resolution is successful	2.1 Percentage of applications, with Board involvement, settled before reaching a formal hearing	51%	57%	6%	159

FINANCIAL RESOURCES	Section Reference
Financial Resources (Total Gross Expenditures, $000's): This particular performance measure draws from both Board core businesses. It is impractical to separate the resources taken from the various core businesses' expenditures.	*See Financial Analysis & Discussion section*

ENVIRONMENTAL SCANNING

The following factors influence settlement rates:

- The experience and training of the Labour Relations Officer involved.
- The relationships that exist between the two parties and their willingness to buy into the settlement process.
- The complexity of the issues at hand.

KEY STRATEGIES	Page
Desired Result 2.1	
• Ensure that Board officials develop and maintain the proper facilitation skills required and that these techniques and skills are applied to all appropriate applications	159

KEY INITIATIVES	Page
Desired Result 2.1	
• Continue to provide mediation and facilitation training for appropriate Board staff	159

INTEGRATED RESULTS ANALYSIS

The increased effectiveness of the Board's settlement process over the past year (6% above target) is a result of the following factors:

- Increased client confidence in the settlement process.
- All Board Officers have completed, or are in the process of completing, accredited mediation and arbitration programs.
- Mandatory resolution conferences with senior officials and adjudicators have provided another opportunity for settlements before formal hearings.

Integrated Results Analysis for Core Business:
ADJUDICATION

DESIRED RESULTS	PERFORMANCE MEASURES	Target	Results (Actual)	Variance	Page
Goal 3: Decisions must be clear and timely so the parties can quickly implement the resolution					
3.1 Minimize the length of time that parties await decisions	3.1 Percentage of decisions rendered within 90 calendar days of leaving	85%	87%	2%	160

FINANCIAL RESOURCES			Page
Financial Resources (Total Gross Expenditures, $000's):			
	Planned Spending	1,070	*See Financial Analysis & Discussion section*
	Actual Spending	1,122	
	Variance	(52)	

ENVIRONMENTAL SCANNING

The following factors influence the length of time required to render a decision:

- The complexity of the issues at hand.
- The need for full written decisions (particularly those cases with judicial review potential) versus letter decisions.
- The ratio of time spent hearing matters and the time allotted for writing.

KEY STRATEGIES	Page
Desired Result 3.1	
• Minimize the length of time that parties await decisions	160

KEY INITIATIVES	Page
Desired Result 3.1	
• Ensure that Board adjudicators have access to case management reports that identify potential late decisions and to allow for the adjustment of the hearing time vs. writing time balance to enable the targets to be met	160

INTEGRATED RESULTS ANALYSIS

While the Board surpassed its performance measure target of 85%, it did incur extra expenditures of approximately $52,000. This amount is mainly attributed to one complicated certification file in the construction sector that may have a large impact in that industry.

Alberta Labour Relations Board

Message from the Chair/Future Directions

While the Board continues to deal with labour relations issues in all unionized sectors of the Province, the Health Care sector was a major focus for the fiscal year 2002/03. The Board's ongoing consultation with the affected parties regarding a proposed review of the bargaining units in Alberta's health care sector was put on hold as *The Labour Relations (Regional Health Authorities Restructuring) Amendment Act* dealt with many of the issues under consideration. This legislation will have a major impact on Board operations in 2003/04 through to 2004/05. If legislation mandates the Board to run representation votes to determine the bargaining agents for the newly defined Regional Health Authorities and then mediate/arbitrate issues relating to the establishment of new regional collective bargaining agreements.

Internally, the Board reviewed and revised the majority of its policies and procedures, started on a major review of the Labour Relations Code Practitioners Manual and continued to build on recent successes in the dispute settlement area.

The results of the 2002/03 business plan strategies and performance indicators are reported on the following pages and the Board is pleased to have met or passed all three of its performance measures.

From a personnel perspective, the Board was happy to welcome aboard Shawn McLeod as the Board's Legal Counsel replacing Nancy Schlesinger, who is now a Vice-Chair with the Board. Shawn brings a number of years experience as a practicing labour relations lawyer to the Board.

Mark Asbell
Chair, Alberta Labour Relations Board

THE ALBERTA LABOUR RELATIONS BOARD

Employees have the right to seek collective bargaining with their employers. The *Labour Relations Code*, *Public Service Employee Relations Act* and the *Police Officers Collective Bargaining Act* guarantee this right and establish a framework for employees to make this choice freely. They describe how a trade union bargains with an employer over terms and conditions of employment to arrive at a collective agreement. Rules of fair play govern trade unions, employers, and employees in their labour relations activities.

The Alberta Labour Relations Board (the Board) is an independent and impartial tribunal. It is responsible for the day-to-day application and interpretation of these rules and also processes the various applications required by the statutes.

Board activities are largely client and caseload driven. The Board maintains tight control over its case handling and vote mechanisms. The Board recognizes that the timely resolution of labour relations differences involves the interests of the public as a whole as well as the interests of the parties directly involved in the difference.

Alberta's labour relations legislation encourages parties to settle their disputes, wherever possible, through honest and open communication. The Board offers informal settlement options to the parties, but it also has inquiry and hearing powers to make binding rulings whenever necessary.

vision, mission and core business

VISION

A fair and equitable labour relations climate in Alberta.

MISSION STATEMENT

To administer, interpret and enforce Alberta's collective bargaining laws in an impartial, knowledgeable efficient, timely and consistent way.

CORE BUSINESS

The Board's core activities arise from the responsibilities placed on it by the labour relations legislation it oversees. These activities are:

- The investigation, processing, and determination of applications made to the Board by parties in Alberta's collective bargaining regime.
- The formal adjudication of issues arising out of the application/complaint process.
- The informal mediation of differences in attempts to limit the need for formal adjudication and helps build mutually beneficial relationships between parties.
- The education of Alberta's labour community in the interpretation of Alberta's labour relations legislation and the Board's rules, policies and procedures.
- The development of formal and informal consultative processes with the province's labour relations community to ensure that Board policies and procedures are sensitive to the current realities in the community.

AUDITOR
GENERAL
Alberta

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Information

To the Members of the Legislative Assembly

In connection with the Alberta Labour Relations Board's performance measures included on pages 158 to 160 of the *2002-2003 Annual Report of the Ministry of Alberta Human Resources and Employment* I have:

Key measures

1. Agreed information from an external organization to reports from the organization.
2. Agreed information from reports that originated within the Ministry to source reports. In addition, I tested the procedures used to compile the underlying data into the source reports.
3. Checked that the presentation of results is consistent with the stated methodology.
4. Checked that the results presented are comparable to stated targets, and information presented in prior years.
5. Checked that the key measures, as well as targets, agree to and include results for all of the measures presented in Budget 2002.

Supplemental information

6. Agreed the information to source reports. In addition, I checked that the supporting narrative is consistent with the information.

As a result of applying the above procedures, I found no exceptions. These procedures, however, do not constitute an audit and therefore I express no opinion on the Alberta Labour Relations Board's performance measures included in the *2002-2003 Annual Report of the Ministry of Human Alberta Human Resources and Employment*.

Fred J Dunn

FCA
Auditor General

Edmonton, Alberta
July 30, 2003

Alberta Labour Relations Board

Detailed Program Results Analysis and Discussion

goals, strategies, measures and desired results

RESULTS ANALYSIS AND DISCUSSION

Goal 1: To provide timely, effective and efficient services to the Alberta labour relations community

DESIRED RESULT 1.1

Reduced number of days from the acceptance of an application to the date of the first hearing.

STRATEGY

Investigate applications in a timely and accurate manner to ensure early resolution of differences.

KEY INITIATIVE

To regularly monitor overall and individual caseloads for the purpose of applying extra resources to those cases that require them.

KEY PERFORMANCE MEASURE

Average number of days from the acceptance of an application to the date of the first hearing (*new**).

	1999/00	2000/01	2001/02	2002/03	Target
Average number of days	n/a	n/a	n/a	45	52[11]

Source/Methodology:

The Alberta Labour Relations Board Case Management System tracks all data relating to applications and hearing dates. In this performance measure, a report has been created from the database that identifies each matter before the Board during the reporting period. It calculates the average number of calendar days for all matters from the date of the application to the first day of the first hearing.

*(New): This new measure was developed for two reasons. The previous methodology tracked the timeliness of applications from the date of application to the rendering of the final decision. This duplicated, in the decision writing area, the measures in goal number three. It also covered the time from the beginning of the hearing process to its conclusion. This is a period of time where the Board has little control over timelines, as it is the availability of the parties and their legal counsel who are the main determinants in the scheduling of hearings. The new methodology will now be a measure of the efficiency of the investigative and administrative processes of the Board.

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[11] The target in the 2002-05 Business Plan was 65 days and has been restated as 52 days to conform to the stated methodology.

ANALYSIS

While the Board surpassed its intended target by an average 7 days, the target was developed from the analysis of data from previous years. It does not reflect recent process changes at the board such as immediate setting of a hearing date upon acceptance of the application or the increased emphasis on settlement. The Board will use the 2002/03 data analysis to revise the methodology for 2004/05 targets.

Goal 2: The Board promotes the use of Alternative Dispute Resolution methods to resolve issues before reaching formal hearings

DESIRED RESULT 2.1

Use of Alternative Dispute Resolution is successful.

STRATEGY

Ensure that Board officials develop and maintain the proper facilitation skills required and that these techniques and skills are applied to all appropriate applications.

KEY INITIATIVE

Continue to provide mediation and facilitation training for appropriate Board staff.

KEY PERFORMANCE MEASURE

2.1 Percentage of applications, with Board involvement, settled before reaching a formal hearing.

	1999/00	2000/01	2001/02	2002/03	Target
Percentage of applications	n/a	30%*	55%	57%	51%

*In 2001/02 there was a change in methodology. Settlements equaled settled plus withdrawal (2001/02) versus just settlements (2000/01). Settlements/withdrawal is defined as closing the file with Board staff involvement before hearing.

Source/Methodology:
The Alberta Labour Relations Board Case Management System tracks all data relating to the disposition of matters. In this performance measure, a report is created from the database that identifies each matter before the Board and the type of resolution for that matter (withdrawal/settlement). The number of matters resolved before hearings are identified and calculated as a percentage of all matters.

ALBERTA LABOUR RELATIONS BOARD

For more information on the Labour Relations Board, visit: www3.gov.ab.ca/alrb

ANALYSIS

The increased effectiveness of the Board's settlement process over the past year (6% above target) is a result of the following factors:

- All Board Officers have completed, or are in the process of completing, accredited mediation and arbitration programs.
- Increasing levels of experience among a relatively new Edmonton officer complement have increased client confidence in the settlement process.

Goal 3: Decisions must be clear and timely so the parties can quickly implement the resolution

DESIRED RESULT 3.1

Use of Alternative Dispute Resolution is successful.

STRATEGY

Minimize the length of time that parties await decisions.

KEY INITIATIVE

Ensure that Board adjudicators have access to case management reports that identify potential late decisions and to allow for the adjustment of the hearing time vs. writing time balance to enable the targets to be met.

KEY PERFORMANCE MEASURE

Percentage of decisions rendered within 90 calendar days of completion of hearing.

Percentage of decisions rendered within 90 days

	Actual 1999/00	Actual 2000/01	Actual 2001/02	Actual 2002/03	Target 2002/03
Percentage of decisions	n/a	88%	84%	87%	85%

Source/Methodology:
The Alberta Labour Relations Board Case Management System tracks all data relating to hearings and decision timelines. In this performance measure, the case management system is used to identify those decisions that meet the reporting period requirements and calculates the duration from the date that a commitment date was input (or the final date of hearing if a commitment is not required) to the date that the decision was released. Those decisions that are completed in 90 days or less are calculated as a percentage of the total number of decisions released during the reporting period.

ANALYSIS

The Board surpassed its 2002/03 target of 85% by 2%. Factors that affect the ability of the Board's adjudicators to meet the 90-day threshold include the desire of the parties for full reasons versus later decisions and the ratio of hearings sat versus writing days.

Ministry of Human Resources and Employment

financial analysis and discussion

The following financial information for the Ministry of Human Resources and Employment relates to the activities of the:

- Department of Alberta Human Resources and Employment (AHRE)
- Personnel Administration Office (PAO)
- Alberta Labour Relations Board (ALRB)
- Appeals Commission for Alberta Workers' Compensation

Pursuant to the *Government Accountability Act*, the activities of the Workers' Compensation Board – Alberta (WCB) are not included in the financial statements of the Ministry of Human Resources and Employment. The WCB's activities are reported separately. The audited financial statements and a brief analysis of financial results are included in this Ministry Annual Report on page 241.

FINANCIAL INFORMATION
FINANCIAL RESULTS AND PERFORMANCE

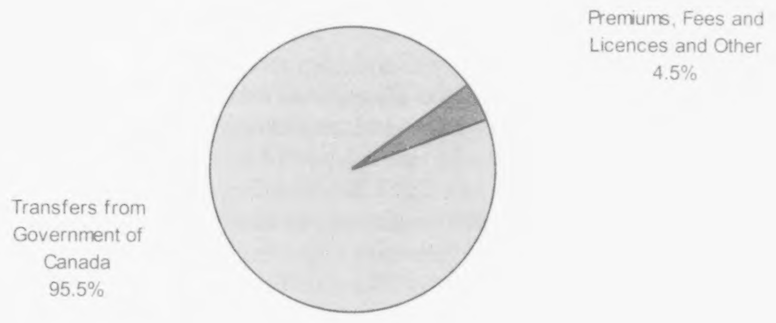
Accountability

Financial results of the Ministry of Human Resources and Employment for the year ended March 31, 2003, include the activities of the Personnel Administration Office, the Labour Relations Board, Appeals for Alberta Workers' Compensation and the Department of Human Resources and Employment. More detail and information can be found in the Ministry's financial statements included in the Annual Report, beginning on page 173.

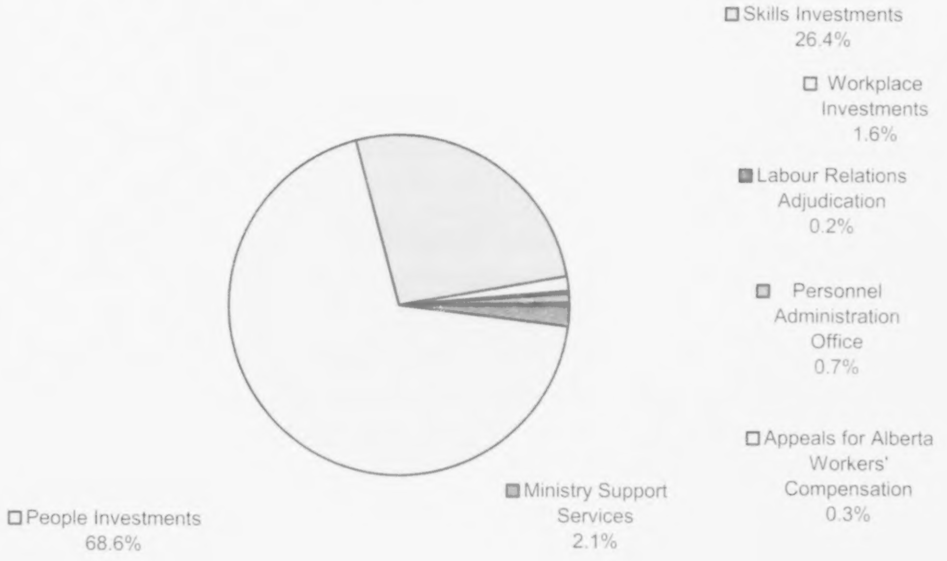
($ thousands)

	2003		2002
	Budget	Actual	Actual
Revenue			
Transfers from Government of Canada	$ 442,313	$ 344,411	$ 442,978
Premiums, Fees and Licenses	270	337	264
Other	18,725	16,042	16,439
	461,308	360,790	459,681
Expense			
Voted:			
Ministry Support Services	26,324	22,523	26,617
People Investments	741,233	743,510	732,053
Skills Investments	256,822	285,893	262,599
Workplace Investments	18,096	17,778	19,043
Labour Relations and Adjudication	2,327	2,458	2,289
Personnel Administration Office	8,051	7,882	7,042
Appeals for Alberta Workers' Compensation	6,000	3,275	-
	1,058,853	1,083,319	1,049,643
Valuation Adjustments and Other Provisions			
Provision for doubtful accounts, vacation pay and employers portion of the Long-Term Disability Income Continuance Plan liability	80	4,285	(31,306)
	1,058,933	1,087,604	1,018,337
Loss on Disposal of Capital Assets	-	595	29
Net Operating Results	$ (597,625)	$ (727,409)	$ (558,685)

Sources of Revenue – $361 million



Expenses by Program – $1.1 billion



DISCUSSION OF FINANCIAL RESULTS/PERFORMANCE

Results of Operations

Revenues

Revenues for the Ministry of Human Resources and Employment amounted to $360.8 million for 2002/03. Transfers from the federal government totalled $344.4 million (Canada Health and Social Transfers - $192 million, Labour Market Development Agreement Benefits - $121.8 million, Services to On-Reserve Status Indians - $8.3 million and Rehabilitation of Disabled Persons - $22.3 million). The remaining $16.4 million in Other Revenues is comprised of $4.0 million of prior year refunds of expenditures, $6.3 million recovered from the Workers' Compensation Board under an agreement with Workplace Health and Safety, $3.3 million recovered from the Accident Fund of Workers' Compensation to fund the Appeals for Alberta Workers' Compensation, and $0.3 million from fees, permits and licences. The balance of $2.5 million is miscellaneous revenue.

Comparison of 2002-2003 Budget to Actual

Actual revenues were $100.5 million lower than budgeted owing primarily to lower than expected transfers from the Federal Government. Federal transfers under the Canada Health and Social Transfer (CHST) were $97.3 million lower than budgeted. This revenue is determined by the CHST formula that is responsive to population changes and provincial personal and corporate income taxes. Revenue received under the Labour Market Development Agreement was $0.5 million lower than anticipated Federal Government allocation for the Labour Market Programs. Federal transfers for Services to On-Reserve Status Indians were $0.07 million lower due to prior year adjustments made by the Federal Government. Other revenues were $2.6 million lower than anticipated as a result of the delayed start date of the Appeals for Alberta Workers' Compensation, which is funded by the Workers' Compensation Board (WCB). Higher other miscellaneous revenue of $0.6 million higher than budgeted and $0.3 million additional Health and Safety program revenue from the WCB were offset by a lower than anticipated prior year accrual fund lapse.

Comparison of 2002-2003 Actual to 2001-2002 Actual

Total revenues for the Ministry decreased $98.9 million from the 2001/02 actual revenue. The Canada Health and Social transfers were $92.8 million lower than 2001/02 in accordance with the CHST formula as noted above. The revenue under the Labour Market Development Agreement was $0.8 million lower because the federal government no longer provides financial support for systems software upgrades. The revenue from Services to On-Reserve Status Indians decreased $5.0 million due to Children's Services and Community Development reporting their revenues in their own ministries. The combined decrease in Other Revenues was $0.3 million lower than last year due to a $4.3 million decrease of unused prior year expenditure accruals, a $3.3 million increase due to the changes in reporting as a result of moving the Appeals Commission for Alberta Workers' Compensation to become part of the Ministry and a $0.3 million increase in Workplace Health and Safety revenue. Other miscellaneous revenue was $0.4 million higher than the 2001/02 actual revenue.

Expenses

The Ministry of Human Resources and Employment incurred expenses totaling $1.1 billion for 2002/03. Over $743.5 million was provided for programs such as Supports for Independence, Shelters for Homeless Adults, Widows' Pension, Alberta Child Health Benefits, and Assured Income for the Severely Handicapped. Another $285.9 million was invested in Skills Investments for various programs such as Employment Preparation, Skills Development Program, and Employment Initiatives, Skills for Work and Career and Employment Assistance Services. Workplace Investments incurred expenses of $17.8 million on programs and services such as Mediation, Workplace Relations and Facilitation, Employment Standards and Workplace Health and Safety. Ministry Support Services expenditures were $22.5 million, which is less than 2.1% of total ministry expenditures. Valuation Adjustments and Other Provisions of $4.3 million represents the estimate of a provision for vacation pay liability, a provision for doubtful accounts receivable and a provision for the government's share of the accrued benefit liabilities for two Long-Term Disability Income Continuance Plans.

The Personnel Administration Office incurred expenses of $7.9 million for developing human resource strategies and policy frameworks for the Alberta Public Service in the areas of benefits, classification and compensation, labour relations, occupational health and safety and staffing and workforce development.

The Labour Relations Board spent $2.5 million on investigating applications for certification of trade unions, as well as supervising strike and lockout votes.

The Appeals Commission for the Alberta Workers' Compensation incurred expenses of $3.3 million for hearing of appeals from decisions made by the Workers' Compensation Board.

Comparison of 2002-2003 Budget to Actual

The following comments provide a high level discussion of the significant expense variances of the Ministry's programs.

In total, the 2002/03 operating expenses were $24.5 million more than the original budget of $1.1 billion.

When comparing the original 2002/03 budget and actual results, Ministry Support Services was under-spent by $3.8 million. A reduction in the Learning Account, Bursary and Leadership program expenses accounted for a total saving of $0.7 million. There was a combined savings of $0.6 million due to lower service contracts and financial system costs. Savings in salaries due to vacancies and reduced overtime accounted for $2.0 million. A reduction in computer ever-greening costs, consulting fees and deferred systems development projects resulted in a reduction of $0.5 million in expenses.

Comparison of 2002-2003 Budget to Actual *(continued)*

People Investments had an overall over-expenditure of $2.3 million owing primarily to the additional Supports for Independence expenses as a result of the actual average monthly caseload of 28,278 being higher than the budgeted average monthly caseload of 26,090 cases. The Widows' Pension program had an under-expenditure of $0.8 million as a result of lower than budgeted cases (2,250 cases versus 2,089 cases).

An $11.5 million lower expenditure in the Assured Income for the Severely Handicapped program resulted from average monthly caseloads of 30,271 cases being lower than the budgeted 30,700 cases and the cost per case of $963 was lower than the budgeted cost per case of $981. These savings were partially offset by an increased pressure of $1.1 million for Shelters for Homeless Adults in Calgary. A decrease in Alberta Child Health Benefit caseloads from the budgeted 76,000 to 68,277 resulted in reduced expenses of $0.7 million. Program Delivery and Support had a number of deferred systems development projects and reduced administration costs resulting in an under-expenditure of $1.4 million.

Skills Investments had an overall over-expenditure of $29.0 million owing primarily to increased enrolment in Skills Development Program expenses (e.g. English as a Second Language, Upgrading and Basic Skills Training, and other Short-Term Training Courses) and volume increases in Career and Employment Assistance Services due to the increased enrollments.

Workplace Investments had an under-expenditure of $0.3 million owing primarily to staff vacancies and a reduction in administration and contract costs.

Labour Relations and Adjudication incurred a $0.1 million over-expenditure owing primarily to contract fees and salary severance costs.

The Personnel Administration Office $0.1 million under-expenditure was attributed to lower than anticipated costs for business support activities.

Appeals for Alberta Workers' Compensation $2.7 million under-expenditure resulted from lower than anticipated operating costs for contracts and services agreements. As well, staff vacancies savings resulted from the delaying recruitment to accommodate moving the Commission from the Workers Compensation Board to become part of the Ministry.

Comparison of 2002-2003 Actual to 2001-2002 Actual

Ministry Support Services expenses decreased $4.0 million owing primarily to a reduction in computer evergreening and consulting costs and the reallocation of certain service costs to the correct programs.

People Investments expenses increased $11.4 million owing primarily to an increase in monthly caseloads of 1,685 for Assured Income for the Severely Handicapped program (from 28,586 to 30,271), as well as an increase in the average cost per case from $953 to $963. An increase in Supports for Independence average monthly caseload from 27,009 to 28,278 resulted in an increase of expenses of $10.6 million. These increases were offset by a one-time reduction in expenses of $32 million from Supports for Independence and Assured Income for the Severely Handicapped as a result of an accounting methodology change. An increased demand for Shelters for Homeless Adults resulted in an expenditure increase of $1.3 million. An increase in the Alberta Child Health Benefit caseload from 66,293 to 68,277 and increased medical costs resulted in an over-expenditure of $1.6 million. An increase in People Investments program expenses of $6.8 million resulted from correcting an improper coding of expenses from Ministry Support Services.

Skills Investments expenses increased $23.3 million primarily due to an increase in client volume in the Skills Development Program. Increased costs for Workplace Health and Safety and Employment Standards Call Centers and other administrative costs resulted in an increase of expenditures of $1.9 million. An additional $2.2 million increase in expenditures resulted from increased utilization of Career and Employment Assistance Services. A reduction in client utilization of the Employment Skills, Training on the Job, Summer Temporary Employment Program and Youth Connection programs resulted in a corresponding $2.2 million decrease in expenditures.

Workplace Investments realized a reduction of expenditures of $1.2 million owing to Ministry reorganization as well as deferred projects.

Labour Relations Board incurred increased expenses of $0.2 million owing to increased contract fees and vacation payout.

Personnel Administration Office incurred additional expenses of $0.8 million to meet program requirements and fill key vacant positions.

Appeals Commission for Alberta Workers' Compensation reported an expenditure of $3.3 million relating to the first year of operations as part of the Ministry.

Department of Alberta Human Resources and Employment

future challenges

goals, measures, results

Alberta Human Resources and Employment (AHRE) will continue to serve Albertans in a way that ensures a better quality of life, the ability to find and keep a job, and the right to be safe at work. In the past year, there have been programs and legislation introduced or expanded to that end, such as the *Income and Employment Supports Act* and the Adult Health Benefit (AHB), a new Disability Related Employment Supports (DRES) policy manual, and Work Safe Alberta.

The challenges lie in program sustainability in the people and skills area, with the growth in program demand and increasing medical costs for some programs placing growing financial pressures on AHRE. In addition, with more inexperienced workers entering the workforce, work place safety continues to be a challenge.

Alberta continues to have the fastest growing population in Canada. In 2002, the rate of growth was 1.56%, and as of January 1, 2003, Alberta's population is estimated to be 3,134,286. Over the four quarters, there was a net inter-provincial migration gain of 23,329 – the largest number among the provinces. As for international migration, Alberta gained 6,610 net immigrants over the same period.

The demographic swell of 18-24 year-old population is expected to continue rising until cresting between 2006 and 2012. In 2001, there were 37,752 babies born in Alberta, up slightly from 37,155 in 2000 but still lower than the 38,171 in 1999. Given a higher birth rate among the Aboriginal population, 8.7% of Alberta's children under the age of 14 are Aboriginal.

One of the challenges is to make certain that all Albertans have the opportunity for a good quality of life. An increased population means a need for skills training. Newly trained workers means an inexperienced workforce, which translates into the potential for an increase in injuries. Statistics show workers with less than 6 months experience (this category includes many young workers) are 3 times more likely to be injured than those with a year or more of experience.

FUTURE CHALLENGES

Future Challenges

Present trends show a continued increase in the demand for Supports for Independence (SFI), Assured Income for the Severely Handicapped (AISH), and the Skills Development Program (SDP). For example, the number of single people on SFI in employment and training support has jumped close to 4% (from 3,218 in 2001/02 to 3,957 in 2002/03).

With a growth in caseloads in the people and skills areas, there is a concern about the department's ability to pay for the additional costs.

Medical costs are expected to increase due to: the extension of AISH medical benefits to clients who would previously have had their benefits cancelled because of cost-of-living indexed increases in CPP benefits; the introduction of AHB for parents who leave SFI for employment; and the anticipated addition of 2 new prescription drugs to the Drug Benefit List (DBL) which could increase program costs by $5 million.

In addition, the cost of prescription drugs continues to grow as a share of health care expenditures. This cost is passed through to the department as part of its expenditures on medical benefits.

The ratification of the Kyoto Protocol has introduced an element of uncertainty into planned investments in northeast Alberta. Energy, and the people who work in that sector, may be most likely affected by the emission reduction targets. In addition, there has been a decline in the international demand for coal, resulting in mine closures and the resultant lay-offs in Alberta.

Bill 27, the Labour Relations (Regional Health Authorities Restructuring) Amendment Act, has been proclaimed. The changes include reducing the number of health authority bargaining units from over 400 to 36, establishing 4 functional bargaining units, and removing the right to strike/lockout from health authority community health and mental health employees. Changes to labour legislation are often controversial and politically charged. Alberta's health care unions have declared their opposition to the *Act* and may challenge the law, under the North American Agreement on Labour Cooperation (NAALC).

Jobs are expected to continue to require higher levels of education. According to Alberta forecasts, one-fifth of all new jobs will go to university graduates and nearly one-third will be in occupations requiring college/technical/trades training over the next 5 years. Just over one quarter of all new jobs will be in occupations requiring completion of grade 12. Despite the relatively high proportion of Albertans with qualifications beyond high school, only 43% of Alberta high school graduates move to post-secondary education – the lowest in Canada.

Although the number of occupational groupings that are in a skills deficit situation (as defined by an unemployment rate below 3%) dropped to 22 in 2002, the occupations experiencing shortages continue to be primarily in Health Care and Management areas. It is projected that there will be strong demand for nurse supervisors, registered nurses, medical radiation technologists and other technical and related health occupations.

The challenge is to ensure Alberta has a productive workforce that meets the needs of the economy by:

- identifying and advising stakeholders on significant labour market trends and issues
- promoting employer participation and investment in workforce development
- continuing to implement *Prepared for Growth: Building Alberta's Labour Supply*
- promoting workforce effectiveness (work-life balance, lifelong learning, workplace values)
- developing alliances at the local, provincial, national and international level that will contribute to human resource development

There are a number of public sector major agreements in negotiation in the coming year:

- In the health care sector, 47% of the 97 collective agreements are open or will expire by December 31, 2003. These agreements cover about 50% of union staff in the health care sector.
- In education, 57 of 60 school authorities have collective agreements for teachers that expire on August 31, 2003. This includes Edmonton Public School Board with 4,900 teachers, Calgary Public School Board with 5,900 teachers, and Calgary Separate School Board with 2,700. Potential teacher lay-offs could also become a labour relations issue this year.
- The Government of Alberta has a wage re-opener with 19,500 AUPE staff on September 1, 2003. Bargaining will begin on August 1, 2003.

With labour negotiations, the situation becomes a challenge for AHRE if there is a strike or a lockout, due to the time and effort that is required by AHRE staff.

There will continue to be public pressure to increase the minimum wage in Alberta. Currently, Alberta's minimum wage is the lowest of any jurisdiction in Canada and ranks sixth among all provinces on an after-tax basis. Minimum wage earners make up approximately 1.1% of employees in Alberta, well below the national average of 5.2%.

The incidence and depth of low-income may need to be considered as AHRE develops intervention, and strategies that can help low-income Albertans better achieve the benefits of participating in the economic life of the province.

The Market Basket Measure (MBM) determines the income required to purchase a "market basket" of necessary goods and services. For those who are living below the MBM thresholds, Alberta has the greatest depth of low-income in the country. (Low-income Albertans below the MBM tend to be further away from the MBM thresholds than people in other provinces.) In 2000, 10.4% (72,870) of two-parent families with children, and 29.3% (36,350) of lone-parent families were living below the MBM low-income threshold in Alberta.

Financial Statements

Financial Statements

Ministry of Human Resources and Employment

financial statements

for the year ended March 31, 2003

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FINANCIAL STATEMENTS

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Legislative Assembly

I have audited the statement of financial position of the Ministry of Human Resources and Employment as at March 31, 2003, and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Ministry. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Ministry is required to follow the corporate government accounting policies and reporting practices established by Alberta Finance, including the following policy that is an exception from Canadian generally accepted accounting principles. The Ministry employs a policy of expensing new system development under $100,000 and all other capital asset purchases under $15,000. Consequently, a significant amount of resources available to the Ministry for future use has been recorded as if it had been consumed. It is estimated that at March 31, 2003, assets and net assets have been understated by approximately $7.2 million representing the unconsumed cost of capital assets at that date. The effect of expensing rather than amortizing capital assets is to understate expenses for the year ended March 31, 2003, by approximately $1.7 million.

In my opinion, except for the effect of the matter discussed in the above paragraph, these financial statements present fairly, in all material respects, the financial position of the Ministry of Human Resources and Employment as at March 31, 2003, and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Ministry of Human Resources and Employment
STATEMENT OF OPERATIONS
For the year ended March 31, 2003

	($ thousands)		
	2003		2002
	Budget (Schedule 4)	Actual	Actual
Revenue (Schedules 1 and 2)			
Transfers from Government of Canada	$ 442,313	$ 344,411	$ 442,978
Premiums, Fees and Licenses	270	337	264
Other	18,725	16,042	16,439
	461,308	360,790	459,681
Expenses (Note 2b and Schedule 8)			
Voted (Schedules 3 and 5)			
Ministry Support Services	26,324	22,523	26,617
People Investments	741,233	743,510	732,053
Skills Investments	256,822	285,893	262,599
Workplace Investments	18,096	17,778	19,043
Labour Relations and Adjudication	2,327	2,458	2,289
Personnel Administration Office	8,051	7,882	7,042
Appeals for Alberta Workers' Compensation (Schedule 6(d))	6,000	3,275	-
	1,058,853	1,083,319	1,049,643
Statutory			
Valuation adjustments (Note 5)			
Provision for doubtful accounts, vacation pay and employers' portion of the Long-Term Disability Income continuance plan liability	80	4,285	(31,306)
	1,058,933	1,087,604	1,018,337
Loss on Disposal of Capital Assets	-	595	29
Net Operating Results – (Deficit for the year)	$ (597,625)	$ (727,409)	$ (558,685)

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
STATEMENT OF FINANCIAL POSITION
As at March 31, 2003

	($ thousands)	
	2003	2002
Assets		
Cash	$ 12,358	$ 396
Accounts Receivable (Note 3)	16,802	27,852
Advances (Note 4)	5,040	13,061
Capital Assets (Note 6)	9,196	9,354
	$ 43,396	$ 50,663
Liabilities		
Accounts Payable and Accrued Liabilities	$ 128,076	$ 67,666
Unamortized Deferred Capital Contribution (Note 7)	253	481
	$ 128,329	$ 68,147
Net (liabilities) assets		
Net (liabilities) assets at beginning of year (Note 2)	$ (17,484)	$ 16
Net Operating Results	(727,409)	(558,685)
Transfer from General Revenues	659,960	541,185
Net liabilities at end of year	$ (84,933)	$ (17,484)
	$ 43,396	$ 50,663

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
STATEMENT OF CHANGES IN FINANCIAL POSITION
For the year ended March 31, 2003

	($ thousands)	
	2003	2002
Operating transactions:		
Net operating results – (Deficit for the year)	$ (727,409)	$ (558,685)
Non cash items included in net operating results		
Amortization	3,083	3,307
Loss on disposal of capital assets	595	29
Valuation adjustments	4,285	(31,306)
	(719,446)	(586,655)
Decrease in accounts receivable *	11,433	710
Decrease in advances	8,021	32,361
Increase in accounts payable *	55,742	16,765
Decrease in unamortized deferred capital contribution	(228)	(329)
Cash used by operating transactions	(644,478)	(537,148)
Investing transactions:		
Purchase of capital assets (Schedule 5)	(3,520)	(5,086)
Transfer of capital assets to other ministries (Schedule 7)		(102)
Cash provided (used) by investing transactions	(3,520)	(5,188)
Financing transactions:		
Net Transfer from General Revenues	659,960	541,185
Net cash provided (used)	11,962	(1,151)
Cash at beginning of year	396	1,547
Cash at end of year	$ 12,358	$ 396

* Changes adjusted for valuation adjustments (Note 5)

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
NOTES TO THE MINISTRY FINANCIAL STATEMENTS
For the year ended March 31, 2003

Note 1 Authority and Purpose

The Ministry of Human Resources and Employment operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The Ministry of Human Resources and Employment contributes to the Alberta Advantage by working with partners to:

- Assist Albertans to reach their full potential in society and the economy,
- Foster safe, fair, productive and innovative workplaces,
- Support those in need, and
- Provide strategic direction and services for human resource management in the Alberta public service.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all Ministries.

(a) Reporting Entity

The reporting entity is the Ministry of Human Resources and Employment, for which the Minister of Human Resources and Employment is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Minister of Finance administers the Fund. All cash receipts of the Ministry are deposited into the Fund and all cash disbursements made by the Ministry are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported using the accrual method of accounting. Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

Note 2 Summary of Significant Accounting Policies and Reporting Practices *(continued)*

(b) Basis of Financial Reporting *(continued)*

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses of the program. Schedule 2 discloses information on the Ministry's dedicated revenue initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- amortization of capital assets
- pension costs which comprise the cost of employer contributions for current service of employees during the year
- valuation adjustments, which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities

Incurred by Others

Services contributed by other entities in support of the Ministry operations are disclosed in Schedule 8.

Assets

Financial assets of the Ministry are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Note 2 Summary of Significant Accounting Policies and Reporting Practices *(continued)*

Assets *(continued)*

Assets acquired by right are not included. Capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000.

Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end.

Net Assets (Liabilities)

Net assets (liabilities) represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Measurement Uncertainty

Measurement uncertainty exists when there is a significant variance between the amount recognized in the financial statements and another reasonably possible amount. Accounts Receivable (net), recorded as $16,802,000 in these financial statements, is subject to measurement uncertainty. The actual amount collected could vary significantly from that estimated.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, advances, accounts payable and accrued liabilities are estimated to approximate their book values.

Note 3 Accounts Receivable

(in thousands)

	2003			2002
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts receivable	$ 76,960	$ 60,295	$ 16,665	$ 27,606
Refunds from suppliers	137	-	137	246
	$ 77,097	$ 60,295	$ 16,802	$ 27,852

Accounts receivable are unsecured and non-interest bearing.

Note 4 Advances
(in thousands)

	2003	2002
Travel advances	$ 33	$ 49
Program advances	5,007	13,012
	$ 5,040	$ 13,061

Travel advances are provided to Ministry employees to cover the cost of business travel. Program advances are for emergent benefits for clients.

Note 5 Valuation Adjustments
(in thousands)

	2003	2002
Provision for doubtful accounts	$ (383)	$ 216
Provision for vacation pay	993	377
Provision for the Government of Alberta's share of the Long Term Disability Income continuance plans liability (Note 11)	3,675	-
Provision for advances	-	(31,899)
	$ 4,285	$ (31,306)

The Ministry has recorded the Government of Alberta's share of the estimated accrued benefit liability for the two multi-employer Long-Term Disability Income Continuance Plans amounting to $3,675. Had the liability of $2,886 been recognized in 2002, the statement of operations would reflect a valuation adjustment of $789 for the current year.

Note 6 Capital Assets
(in thousands)

	2003				2002
	Estimated Useful life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment [a]	3-5 Years	$ 641	$ 641	$ -	$ -
Systems Development and Enhancements	5-7 Years	23,919	14,723	9,196	9,354
		$ 24,560	$ 15,364	$ 9,196	$ 9,354

[a] Equipment includes vehicles.

Note 7 Unamortized Deferred Capital Contributions

Capital contributions were received from the Government of Canada under the Labour Market Development Agreement to acquire capital assets. Unamortized deferred capital contributions represent the externally funded portion of capital assets, which will be recognized as revenue in future years when the related amortization is recorded.

Note 8 Commitments
(in thousands)

At March 31, 2003, the Ministry has the following commitments:

	2003	2002
Service Contracts	$ 17,079	$ 5,561

In addition to service contracts, the Ministry also leases certain vehicles under operating lease agreements that expire on various dates to 2007. It is the Ministry's intention to maintain fleet inventory at present levels. The aggregate amount payable for the unexpired terms of these leases is approximately $971 per annum and is not expected to vary significantly.

Note 9 Contingencies

At March 31, 2003, the Ministry is a defendant in sixteen legal claims (2002 – nineteen legal claims). Fifteen of these claims have specified amounts totalling $213.1 million (2002 - $12.0 million) while the remaining claim has not specified any amount. Included in the total legal claims are two claims amounting to $0.6 million in which the Ministry has been jointly named with another entity. Eleven claims amounting to $211.0 million are covered by The Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 10 Funds Under Administration
(in thousands)

The Ministry administers funds, which are managed for the purpose of various trusts, and employee benefit plans. As at March 31, 2003, funds under administration were as follows:

	2003			2002
	Total Assets	Total Liabilities	Net Assets (Liabilities)	Net Assets (Liabilities)
Long Term Disability Income Continuance Plans:				
Bargaining Unit (1)	$ 78,613	$ 93,047	$ (14,434)	$ (8,646)
Management, Opted Out and Excluded (1)	16,809	19,862	(3,053)	(2,656)
Group Life Insurance Plans:				
Bargaining Unit	30,314	15,609	14,705	19,907
Management, Opted Out and Excluded	11,532	6,923	4,609	6,249
Government of Alberta Dental Plan Trust (2)	2,557	1,018	1,539	1,937
Government Employees' Group Extended Medical Benefits Plan Trust (2)	2,038	1,494	544	187
Employment Standards Trust Fund	180	-	180	152
Other Client Trust	11	-	11	10
	$ 142,054	$ 137,953	$ 4,101	$ 17,140

(1) Financial Statements of these funds can be found in the Supplementary Ministry Financial Information section of the Ministry of Human Resources and Employment 2002/03 Annual Report.

(2) These amounts relate to the year ending December 31, 2002, and December 31, 2001, respectively.

Note 11 Defined Benefit Plans

(in thousands)

The Ministry participates in the multi-employer pension plans, Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $6,002 for the year ending March 31, 2003, (2002-$5,594).

At December 31, 2002, the Management Employees Pension Plan reported a deficiency of $301,968 (2001 – surplus $5,338) and the Public Service Pension Plan reported an actuarial deficiency of $175,528 (2001 – surplus $320,487). At December 31, 2002, the Supplementary Retirement Plan for Public Service Managers had a surplus of $6,472 (2001 – deficiency $399).

The Ministry also administers two multi-employer Long-Term Disability Income Continuance Plans on behalf of the Government of Alberta. At March 31, 2003, the Bargaining Unit Plan reported an actuarial deficiency of $14,434 (2002 – deficiency $8,646) and the Management, Opted Out and Excluded Plan an actuarial deficiency of $3,053 (2002 – deficiency $2,656). Long-term disability benefits are funded equally by the employer and employee in the Bargaining Unit Plan and by the employer in the Management, Opted Out and Excluded Plan.

At March 31, 2003, the Government of Alberta's share of the estimated accrued benefit liability for these two plans amounting to $3,675 has been recognized in these financial statements (Note 5). This amount is actuarially determined as the cost of employee benefits earned net of employer contributions, interest expense on the accrued benefit obligation, expected return on the plan assets and amortization of deferred amounts using management's best estimates and actuarial assumptions. The Ministry, together with other participating ministries, records the share of employer contributions as expenses in their respective financial statements.

Note 12 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 13 Subsequent Events

Pursuant to the Order in Council (O.C.123/2003) approved on March 27, 2003, the responsibility for the Office of the Public Guardian and the Shelters for Homeless Adults program was transferred to the Ministry of Seniors effective April 1, 2003.

Note 14 Approval of Financial Statements

These financial statements were approved by the Deputy Minister, the Public Service Commissioner and the Chief Financial Officer.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 1

REVENUE

For the Year Ended March 31, 2003

($ thousands)

	2003		2002
	Budget	Actual	Actual
Transfers from the Government of Canada			
Canada Health and Social Transfer	$ 289,273	$ 191,992	$ 284,748
Labour Market Development Agreement Benefits	122,347	121,802	122,598
Services to On-Reserve Status Indians (a)	8,350	8,274	13,289
Rehabilitation of Disabled Persons	22,343	22,343	22,343
	442,313	344,411	442,978
Premiums, Fees and Licences			
Various	270	337	264
Other Revenues			
Refunds of Previous Year Expenditures	5,500	4,715	9,039
Appeals for Alberta Workers' Compensation	6,000	3,275	-
Occupational Health and Safety Transfer	6,000	6,300	6,000
Other	1,225	1,752	1,400
	18,725	16,042	16,439
Total revenue	$ 461,308	$ 360,790	$ 459,681

(a) Effective April 1, 2002, Services to On-Reserve Status Indians relating to Ministries of Community Development and Children's Services, are being reported by the respective ministries.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 2

DEDICATED REVENUE INITIATIVES
For the Year Ended March 31, 2003

($ thousands)

	2003		
	Authorized Dedicated Revenues	Actual Dedicated Revenues	Excess (Shortfall)
Expenses by Program			
Labour Market Development Agreement			
Benefits and Measures	$ 112,530	$ 112,102	$ (428)
Program Support	9,817	9,472	(345)
Workplace Health and Safety			
Regional Services	6,000	6,300	300
Capital Purchases by Program			
Labour Market Development Agreement			
Benefits and Measures	–	228	228
Total Dedicated Revenue	$ 128,347	$ 128,102	$ (245)

The revenue and expense related to the dedicated revenue initiatives are included in the Ministry's revenue and expense in the statement of operations.

Labour Market Development Agreement Benefits and Measures and Program Support dedicated revenue initiatives allow the costs associated with programs under the Labour Market Development Agreement to be fully offset with revenues collected from the Government of Canada.

Revenues collected from Workers' Compensation Board to offset Health and Safety programs and services.

Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 4 and 5 to the financial statements.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 3

EXPENSE DIRECTLY INCURRED – DETAILED BY OBJECT
For the Year Ended March 31, 2003

($ thousands)

	2003		2002
	Budget	Actual	Actual
Voted Expenses			
Salaries, wages and employee benefits	$ 119,810	$ 117,923	$ 108,889
Supplies and services	164,533	153,171	151,481
Supplies and services from Shared Service Support Arrangements with Related Parties [a]	2,636	2,694	2,192
Grants	770,348	807,229	785,000
Financial transactions and other	48	92	98
Amortization of capital assets	2,821	3,083	3,307
Total voted expenses before recoveries	$ 1,060,196	$ 1,084,192	$ 1,050,967
Less Recovery from Shared Service Support Arrangements with Related Parties [b]	(1,343)	(873)	(1,324)
Total voted expenses after recoveries	$ 1,058,853	$ 1,083,319	$ 1,049,643

[a] The Ministry receives financial and administrative support services from the Ministry of Learning and Children's Services.

[b] The Ministry provides human resources, information technology, financial and other administrative support services to the Ministries of Community Development and Children's Services. Costs incurred for these services are recovered from these ministries.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 4

BUDGET
For the Year Ended March 31, 2003

($ thousands)

	2002-2003 Estimates (a)	Adjustments (b)	2002-2003 Budget	Authorized Supplementary (c)	2002-2003 Authorized Budget
Revenue					
Transfer from the Government of Canada	$ 442,313	-	$ 442,313	-	$ 442,313
Fees, Permits and Licences	270	-	270	-	270
Other Revenue	18,725	-	18,725	-	18,725
	461,308	-	461,308	-	461,308
Expenses – Directly Incurred					
Voted Expenses					
Ministry Support Services	26,324	-	26,324	-	26,324
People Investments	741,233	-	741,233	-	741,233
Skills Investments	256,822	-	256,822	25,800	282,622
Workplace Investments	18,096	-	18,096	-	18,096
Labour Relations and Adjudication	2,327	-	2,327	-	2,327
Personnel Administration Office	8,051	-	8,051	-	8,051
Appeals for Alberta Workers' Compensation	6,000	-	6,000	-	6,000
Dedicated Revenue Shortfall (Schedule 2)	-	(245)	(245)	-	(245)
	1,058,853	(245)	1,058,608	25,800	1,084,408
Statutory Expenses					
Valuation adjustments					
Provisions for Doubtful Accounts, Vacation Pay And Other Provisions	80	-	80	-	80
Total Expenses	1,058,933	(245)	1,058,688	25,800	1,084,488
Net Operating Results	$ (597,625)	$ 245	$(597,380)	$ (25,800)	$ (623,180)
Capital Investment	$ 2,598	$ -	$ 2,598	$ -	$ 2,598

(a) Government and Lottery Fund estimates were approved on May 14, 2002.
(b) Adjustments relate to dedicated revenue shortfall.
(c) Supplementary Estimates were approved on March 10, 2003.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 5

COMPARISON OF EXPENSES - DIRECTLY INCURRED AND CAPITAL INVESTMENTS BY ELEMENT TO AUTHORIZED BUDGET

For the Year Ended March 31, 2003

($ thousands)

	2002-2003 Estimate	Adjustments (a)	Authorized Supplementary (b)	2002-2003 Authorized Budget	2002-2003 Actual (c)	Unexpended (Over Expended)
Voted Expenses and Capital Investments						
Program 1 – Ministry Support Services						
1.0.1 Minister's Office	$ 359	$	$	$ 359	$ 347	$ 12
1.0.2 Deputy Minister's Office	479			479	466	13
1.0.3 Strategic Services	4,895			4,895	4,380	515
1.0.4 Regional Delivery Services	2,081			2,081	2,057	24
1.0.5 Information Technology Management						
Operating Expense	6,832			6,832	5,184	1,648
Capital Investment	548			548	647	(99)
1.0.6 Human Resource Services	5,959			5,959	5,292	667
1.0.7 Finance Services	4,486			4,486	3,874	612
1.0.8 Freedom of Information and Privacy	471			471	491	(20)
1.0.9 Communications	762			762	432	330
	26,872			26,872	23,170	3,702
Program 2 – People Investments						
2.1.1 Program Support						
Operating Expense	37,477			37,477	34,588	2,889
Capital Investment	1,000			1,000	1,911	(911)
2.2.1 Supports for Independence - Program Delivery	37,216			37,216	38,291	(1,075)
2.2.2 Supplement to Earnings	27,513			27,513	31,983	(4,470)
2.2.3 Temporary Support	60,027			60,027	73,657	(13,630)
2.2.4 Transitional Support	59,940			59,940	60,012	(72)
2.2.5 Assured Support	100,734			100,734	98,166	2,568
2.2.6 Shelters for Homeless Adults	14,496			14,496	15,588	(1,092)
2.3.1 Benefits for People not Expected to Work-Program Delivery	7,247			7,247	7,418	(171)
2.3.2 Widows' Pension	8,100			8,100	7,288	812
2.3.3 Assured Income for the Severely Handicapped	361,237			361,237	349,817	11,420
2.4.1 Alberta Child Health Benefits	19,266			19,266	18,579	687
2.4.2 Family Maintenance	3,714			3,714	3,540	174
2.5.1 Office of the Public Guardian	4,146			4,146	4,445	(299)
2.5.2 Dependent Adult Appeals	120			120	138	(18)
	742,233			742,233	745,421	(3,188)
Program 3 – Skills Investments						
3.1.1 Program Support						
Operating Expense	28,205			28,205	27,957	248
Capital Investment	950			950	861	89
3.2.1 Employment Preparation Programs	12,606			12,606	10,526	2,080
3.2.2 Skills for Work Program	21,064			21,064	17,743	3,321

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT-
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 5
(continued)

COMPARISON OF EXPENSES - DIRECTLY INCURRED AND CAPITAL INVESTMENTS BY ELEMENT TO AUTHORIZED BUDGET

For the Year Ended March 31, 2003

($ thousands)

	2002-2003 Estimate	Adjustments (a)	Authorized Supplementary (b)	2002-2003 Authorized Budget	2002-2003 Actual (c)	Unexpended (Over Expended)
3.2.3 Employment Initiatives						
Operating Expense	18,026			18,026	15,275	2,751
Capital Investment	100			100		100
3.2.4 Skills Development Program	118,327		25,800	144,127	155,567	(11,440)
3.3.1 Career and Employment Assistance Services	26,900			26,900	29,777	(2,877)
3.3.2 Summer Temporary Employment Program	8,173			8,173	8,108	65
3.3.3 Youth Connections	7,357			7,357	6,455	902
3.3.4 Disability Related Employment Supports	7,338			7,338	7,408	(70)
3.4.1 Local Labour Market Development Partnerships	2,820			2,820	2,841	(21)
3.5.1 Skills Information Services	3,506			3,506	3,386	120
3.5.2 Labour Market Information Centres	2,500			2,500	850	1,650
	257,872		25,800	283,672	286,754	(3,082)
Program 4 – Workplace Investments						
4.1.1 Program Support						
Operating Expense	1,983			1,983	1,725	258
Capital Investment					101	(101)
4.2.1 Mediation	515			515	439	76
4.2.2 Workplace Relations and Facilitation	936			936	842	94
4.3.1 Legislation, Policy and Technical Support	2,151			2,151	2,928	(777)
4.3.2 Partnerships	743			743	862	(119)
4.3.3 Regional Services	6,377			6,377	6,827	(450)
4.4.1 Legislation, Policy and Technical Support	851			851	783	68
4.4.2 Regional Services	3,540			3,540	3,372	168
4.5.1 Workers' Compensation Tribunal	1,000			1,000		1,000
	18,096			18,096	17,879	217
Program 5 – Labour Relations and Adjudication						
5.1.1 Labour Relations Board	2,327			2,327	2,458	(131)
	2,327			2,327	2,458	(131)
Program 6 – Personnel Administration Office						
6.1.1 Public Service Commissioner's Office	475			475	462	13
6.1.2 Corporate Human Resource Services	4,962			4,962	5,118	(156)
6.1.3 Information Management Services	1,864			1,864	1,583	281
6.2.1 Research and Development	750			750	719	31
	8,051			8,051	7,882	169

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 5
(continued)

COMPARISON OF EXPENSES - DIRECTLY INCURRED AND CAPITAL INVESTMENTS BY ELEMENT TO AUTHORIZED BUDGET

For the Year Ended March 31, 2003

($ thousands)

	2002-2003 Estimate	Adjustments	Authorized Supplementary	2002-2003 Authorized Budget	2002-2003 Actual	Unexpended (Over Expended)
Program 7 – Appeals for Alberta Workers' Compensation						
7.0.1 Appeals Commission	6,000			6,000	3,275	2,725
	6,000			6,000	3,275	2,725
Dedicated Revenue Shortfall (Schedule 2)		(245)		(245)		(245)
Total Voted Expenses and Capital Investments	$1,061,451	(245)	$ 25,800	$ 1,087,006	$ 1,086,839	$ 167
Program Operating Expense	1,058,853	(245)	25,800	1,084,408	1,083,319	1,089
Program Capital Investment	2,598			2,598	3,520	(922)
	$1,061,451	$ (245)	$ 25,800	$ 1,087,006	$ 1,086,839	$ 167
Statutory Expenses						
Valuation Adjustments	80	-		80	4,285	(4,205)
Total Statutory Expenses	$ 80	$ -	$ -	$ 80	$ 4,285	$ (4,205)

Adjustments relate to dedicated revenue shortfall.

Supplementary Estimates were approved on March 10, 2003.

Includes achievement bonus of $1,329

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
SALARY AND BENEFITS DISCLOSURE
DEPARTMENT OF HUMAN RESOURCES AND EMPLOYMENT

Schedule 6(a)

For the Year Ended March 31, 2003

	2003			2002
	Salary [1]	**Benefits and Allowances** [2]	**Total**	**Total**
Senior Official				
Deputy Minister [3] [5]	$ 186,546	$ 53,511	$ 240,057	$ 206,986
Executives				
Assistant Deputy Ministers				
Delivery Services [4]	130,848	39,968	170,816	149,848
People Investments	137,256	35,388	172,644	153,752
Skills Investments	130,572	32,626	163,198	140,450
Workplace Investments [6]	120,921	4,098	125,019	108,278
Corporate Services [7]	65,703	15,298	81,001	-
Executive Director, Strategic Services [8]	118,543	17,843	136,386	24,778
Chief Financial Officer [9]	-	-	-	132,325
Chief Information Officer [9]	-	-	-	159,613
Executive Director, Human Resources [9]	-	-	-	157,501

Prepared in accordance with Treasury Board Directive 12/98.

Total salaries and benefits relating to a position are disclosed.

[1] Salary includes regular base pay, bonuses and lump sum payments.

[2] Benefits and allowances include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, long-term disability plans, WCB premiums, professional memberships and tuition fees.

[3] Automobile provided, no dollar amount included in benefits and allowances figures.

[4] Benefits and allowances include vacation payments to the Assistant Deputy Minister, Delivery Services –$6,864 (2002 - $8,481).

[5] Two different individuals occupied this position during the year.

[6] Salary includes pay in lieu of benefits.

[7] Position occupied in November 2002.

[8] Position occupied in January 2002.

[9] Assistant Deputy Minister, Corporate Services, supersedes these three positions.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
SALARY AND BENEFITS DISCLOSURE
PERSONNEL ADMINISTRATION OFFICE

Schedule 6(b)

For the Year Ended March 31, 2003

	2003			2002
	Salary [1]	Benefits and Allowances [2]	Total	Total
Senior Official				
Public Service Commissioner [3]	$ 179,573	$ 48,010	$ 227,583	$ 196,520
Executives				
Executive Director, Human Resource Policy and Consulting	126,826	28,823	155,649	111,784
Executive Director, Corporate Human Resource Development	115,634	19,632	135,266	101,351
Manager, Information Management	101,842	19,241	121,083	118,340
Executive Search Manager	93,384	15,416	108,800	96,212
Manager – Human Resources and Public Service Commissioner's Office	76,747	12,784	89,531	79,461

Prepared in accordance with Treasury Board Directive 12/98.

Total salaries and benefits relating to a position are disclosed.

[1] Salary includes regular base pay, bonuses and lump sum payments.

[2] Benefits and allowances include the government's share of all employee benefits and contributions made on behalf of employees including pension, health care, dental coverage, group life insurance, long-term disability plans, WCB premiums, professional memberships and tuition fees.

[3] Salary includes pay in lieu of provision of an automobile.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
SALARY AND BENEFITS DISCLOSURE
LABOUR RELATIONS BOARD

For the Year Ended March 31, 2003

Schedule 6(c)

	2003			2002
	Salary [1]	Benefits and Allowances [2]	Total	Total
Senior Official				
Chair [3] [4]	$ 178,271	$ 7,572	$ 185,843	$ 171,770
Executives				
Vice Chair	115,088	27,076	142,164	137,700
Vice Chair	115,088	28,024	143,112	133,326
Executive Director	106,784	23,265	130,049	113,515
Director of Administration	75,445	12,566	88,011	75,292

Prepared in accordance with Treasury Board Directive 12/98.

Total salaries and benefits relating to a position are disclosed.

[1] Salary includes regular base pay, bonuses and lump sum payments.

[2] Benefits and allowances include the government's share of all employee benefits and contributions made on behalf of employees including pension, health care, dental coverage, group life insurance, long-term disability plans, WCB premiums, professional memberships and tuition fees.

[3] Automobile provided, no dollar amount included in benefits and allowances figures.

[4] Salary includes pay in lieu of benefits.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
SALARY AND BENEFITS DISCLOSURE
APPEALS COMMISSION FOR ALBERTA WORKERS' COMPENSATION

Schedule 6(d)

For the Year Ended March 31, 2003

	2003		
	Salary (1)	Benefits and Allowances (2)	Total
Senior Officials			
Chief Appeals Commissioner (3)	$ 76,720	$ 27,331	$ 104,051
Vice Chair	55,615	14,475	70,090
Full Time Commissioners (4)	772,387	87,415	859,802
Temporary Appeals Commissioners (4)(5)	293,568	-	293,568

Prepared in accordance with Treasury Board Directive 12/98.

Effective September 1, 2002, the Appeals Commission for Alberta Workers' Compensation was transferred to the Department of Alberta Human Resources and Employment from the Workers' Compensation Board. Accordingly, the salaries, benefits and allowances are disclosed for a period of seven months.

Total salaries and benefits relating to a position are disclosed.

(1) Salary includes regular base pay, bonuses and lump sum payments.

(2) Benefits and allowances include the government's share of all employee benefits and contributions made on behalf of employees including pension, health care, dental coverage, group life insurance, long-term disability plans, WCB premiums, professional memberships and tuition fees.

(3) Automobile provided, no dollar amount included in benefits and allowances figures.

(4) Commissioners consist of fourteen full-time individuals and fifteen temporary individuals.

(5) Salary is the honoraria paid from September 1, 2002 to March 31, 2003.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
RELATED PARTY TRANSACTIONS

Schedule 7

For the Year Ended March 31, 2003

(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licenses, and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry receives services under contracts managed by the Ministry of Government Services (ACSC). The Ministry of Government Services (ACSC) reports any commitments under these contracts.

The Ministry had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	2003	2002
Expenses - Directly Incurred		
Other Services	$ 21,291	$ 19,743
Capital Asset Transfers	-	102

The above transactions do not include shared service support arrangement transactions disclosed in Schedule 3.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not included in the financial statements and are disclosed in Schedule 8.

	2003	2002
Expenses - Incurred by Others		
Accommodation	$ 16,764	$ 16,241
Legal Services	585	621
	$ 17,349	$ 16,862

Ministry of Human Resources and Employment
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 8

ALLOCATED COSTS

For the Year Ended March 31, 2003

($ thousands)

Program	2003						2003	2002
	Directly Incurred Expenses (1)	Expenses – Incurred by Others		Valuation Adjustments (4)			Total Expenses	Total Expenses (8)
		Accommodation Costs (2)	Legal Services (3)	Doubtful Accounts (5)	Vacation Pay (6)	Other (7)		
Ministry Support Services	$ 22,523	$ 617	$ 109	$ (383)	$ 345	$ -	$ 23,211	$ 28,229
People Investments	743,510	8,300	315	-	3	-	752,128	709,894
Skills Investments	285,893	5,674	3	-	574	-	292,144	266,611
Workplace Investments	17,778	1,092	107	-	(86)	-	18,891	20,295
Labour Relations and Adjudication	2,458	121	31	-	31	-	2,641	2,455
Personnel Administration Office	7,882	639	20	-	92	3,675	12,308	7,715
Appeals for Alberta Workers' Compensation	3,275	321	-	-	34	-	3,630	-
	$ 1,083,319	$ 16,764	$ 585	$ (383)	$ 993	$ 3,675	$ 1,104,953	$ 1,035,199

Notes:

(1) Expenses as per Statement of Operations excluding valuation adjustments.

(2) Costs shown for Accommodation in Schedule 7 have been allocated as follows:

- Where buildings accommodate staff for one program, costs are allocated to the specific program.
- Where buildings accommodate staff for two programs, costs are allocated equally between programs.
- Buildings, which accommodate multi-programs, costs are allocated based on the ratio of staff employed in each program.

(3) Costs shown for Legal Services in Schedule 7 have been allocated based on hours of work performed.

(4) Valuation adjustments as per Statement of Operations.

(5) Provision for doubtful accounts have been allocated based on actual provision relating to the program.

(6) Provision for vacation pay has been allocated based on actual liability recorded.

(7) Other relates to the provision of Government of Alberta's share of the Long-Term Disability Income continuance plans liability.

(8) Expenses restated to conform to 2003 presentation.

Supplementary Ministry Financial Information

March 31, 2003

Contents

- Ministry Expenses by Core Business
- Statement of Remissions, Compromises and Write-Offs
- Long-Term Disability Income Continuance Fund – Bargaining Unit Financial Statements
- Long-Term Disability Income Continuance Fund – Management, Opted Out and Excluded Financial Statements

SUPPLEMENTARY MINISTRY FINANCIAL INFORMATION

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
MINISTRY EXPENSES BY CORE BUSINESS
For the year ended March 31, 2003

($ thousands)

	2002-2003		2001-2002
	Budget	Actual	Actual
Core Business			
People Investments	$ 760,481	$ 760,019	$ 719,770
Skills Investments	263,474	292,042	269,495
Workplace Investments	18,565	18,161	19,541
Human Resource Management	8,086	11,649	7,242
Labour Relations –Adjudications	1,257	1,336	984
Labour Relations – Investigations/Mediations	1,070	1,122	1,305
Workers' Compensation Appeals	6,000	3,275	-
Ministry Expense	$ 1,058,933	$ 1,087,604	$ 1,018,337

Un-audited information as per Finance 2003 Ministry Annual Report Standards.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
STATEMENT OF REMISSIONS, COMPROMISES AND WRITE-OFFS

For the year ended March 31, 2003

The following statement has been prepared pursuant to section 28 of the *Financial Administration Act*. The statement includes all remissions, compromises and write-offs of the Ministry of Human Resources and Employment made or approved during the fiscal year.

	($ thousands)
Remissions under section 26 of the *Financial Administration Act*:	$
Compromises under section 27 of the *Financial Administration Act*:	
Supports for Independence and Assured Income for the Severely Handicapped Program	3
Write-offs:	
Supports for Independence and Assured Income for the Severely Handicapped Program	716
Widows' Pension Program	1
Miscellaneous	2
	719
	$ 722

Un-audited information as per Finance 2003 Ministry Annual Report Standards.

Long-Term Disability Income Continuance Plan – Bargaining Unit

Financial Statements

March 31, 2003

- Auditor's Report
- Statement of Net Assets Available for Benefits and Accrued Long-Term Disability Benefits
- Statement of Changes in Net Assets Available for Benefits
- Notes to the Financial Statements
- Schedule of Investments in Fixed Income Securities
- Schedule of Investments in Canadian Equities
- Schedule of Investments in United States Equities
- Schedule of Investments in Non-North American Equities

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Minister Responsible for the Personnel Administration Office

I have audited the Statement of Net Assets Available for Benefits and Accrued Long-Term Disability Benefits of the Long-Term Disability Income Continuance Plan – Bargaining Unit as at March 31, 2003 and the Statement of Changes in Net Assets Available for Benefits for the year then ended. These financial statements are the responsibility of the Plan's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the Net Assets Available for Benefits and Accrued Long-Term Disability Benefits of the Plan as at March 31, 2003 and the Changes in its Net Assets Available for Benefits for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn

FCA
Auditor General

Edmonton, Alberta
June 6, 2003

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – BARGAINING UNIT

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS AND ACCRUED LONG-TERM DISABILITY BENEFITS

As at March 31, 2003

	($ thousands) 2003	2002
Net assets available for benefits		
Assets		
Investments (Note 3)	$ 78,338	$ 88,670
Accounts receivable	275	215
	78,613	88,885
Liabilities		
Accounts payable and accrued liabilities	1,003	715
Net assets available for benefits	77,610	88,170
Accrued long-term disability benefits (Note 6)	(92,044)	(96,816)
Actuarial deficiency (Note 6)	$ (14,434)	$ (8,646)

The accompanying notes and schedules are part of these financial statements.

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – BARGAINING UNIT

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the year ended March 31, 2003

	($ thousands)	
	2003	**2002**
Increase in assets		
Contributions:		
Employers	$ 9,348	$ 8,825
Employees	9,348	8,825
Net investment income (Note 7)	-	2,392
	18,696	20,042
Decrease in assets		
Benefits	16,313	16,649
Net investment loss (Note 7)	9,683	-
Adjudication	1,488	1,363
Severance	1,263	1,506
Rehabilitation	340	542
Administration expenses (Note 8)	169	265
	29,256	20,325
(Decrease) in net assets	(10,560)	(283)
Net assets available for benefits at beginning of year	88,170	88,453
Net assets available for benefits at end of year	$ 77,610	$ 88,170

The accompanying notes and schedules are part of these financial statements.

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – BARGAINING UNIT

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2003

Note 1 Summary Description of the Plan

The following description of the Long-Term Disability Income Continuance Plan (the Plan) for bargaining unit employees is a summary only. For a complete description of the Plan, reference should be made to Section 21 of the *Public Service Act*, the Long-Term Disability Income Continuance Plan Regulation, and Section 98 of the *Financial Administration Act* and Treasury Board Directive 08/98, as amended.

(a) General

The Plan provides disability benefits and insures income continuance of eligible Government of Alberta employees included in an Alberta Union of Provincial Employees' (AUPE) bargaining unit. Management and employees opted out and excluded from an AUPE bargaining unit are covered under a separate Plan.

(b) Funding Policy

Long-term disability benefits are funded equally by employer and employee contributions at rates, which are expected to provide for all benefits payable under the Plan. The rates in effect at March 31, 2003, were unchanged at 1.55% of insurable salary for employers and 1.55% for employees. The rates are to be reviewed at least once every three years by the Public Service Commissioner based on recommendations of the Plan's actuary.

On March 30, 1998, the Government of Alberta provided a one-time contribution of $88,589,000 to the Plan, representing the Plan's accrued long-term disability benefits as at December 31, 1997, as determined by the Plan's actuary. Increasing employer and employee contribution funds any deficiencies incurred by the Plan.

(c) Long-Term Disability Benefits

Benefits are payable when eligible plan members become disabled for 80 consecutive normal workdays as the result of bodily injury or illness, as determined by the Plan's adjudicator. Plan members are eligible for coverage after completion of three consecutive months of service without absence in a permanent position, or a full year in a temporary position. The Plan provides for benefits equalling to 70% of members' pre-disability salary. The maximum benefit payable is $3,000 per month for each member. Reduced benefits are payable to eligible members who receive compensation from the Workers' Compensation Board or the Crimes Compensation Board, or benefits under the Canada Pension Plan or any other group disability plan, or vacation leave pay or employment income under a rehabilitation program. At year-end a contingent gain may exist relating to plan members who applied for Canada Pension Plan benefits, but who have not yet been approved. If approved, an amount equal to

Note 1 Summary Description of the Plan *(continued)*

(c) Long-Term Disability Benefits *(continued)*

the monthly Canada Pension Plan benefit times the number of months the person has been receiving benefits, will be recovered.

No benefit is payable if the disability is the result of injuries suffered from participation in a criminal act or an act of war, or injury or illness which are self-inflicted intentionally.

Disabled members who are not under the continuous care of a physician or who are confined in prisons are not eligible for benefits.

Benefits terminate upon the earliest of the date the member resigns or is gainfully employed or is no longer disabled, three months after the adjudicator declares the member is suitable for gainful employment, or the date the member attains age 65 and is eligible for an unreduced public service pension. Benefits also terminate when a member's earnings under a rehabilitation program are the same as his pre-disability salary or after 24 months where the member is in a temporary position.

(d) Decrease in Net Assets

Expenses of the Plan include benefits paid out, severance payments for resignation of employment subsequent to disability leave, rehabilitation expenses, adjudication fees and administrative costs. Adjudication fees include services performed by an independent agent in determining the eligibility of claims, the amounts of eligible benefits and the time period applicable for disability.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

(a) Basis of Presentation

These financial statements are prepared on the going concern basis in accordance with Canadian generally accepted accounting principles. The statements provide information about the net assets available in the Plan to meet future benefit payments and are prepared to assist Plan members and others in reviewing the activities of the Plan for the year.

Plan investments are held in pooled investment funds administered by Alberta Revenue. Pooled investment funds have a market-based unit value that is used to allocate income to pool participants and to value purchases and sales of pool units.

The Plan's percentage ownership in pooled investment funds at March 31 was as follows:

(continued next page)

Note 2 Summary of Significant Accounting Policies and Reporting Practices *(continued)*

(a) Basis of Presentation *(continued)*

	% Ownership	
	2003	2002
Internally Managed Pooled Investment Funds		
Canadian Dollar Public Bond Pool	0.32	0.32
Canadian Pooled Equities Fund	0.37	0.38
Domestic Passive Equity Pooled Fund	0.29	0.31
Private Mortgage Pool	0.39	0.38
Private Real Estate Pool	0.23	0.28
S&P 500 Pooled Index Fund	0.70	–
EAFE Structured Equity Pooled Fund	–	0.01
Externally Managed Pooled Investment Funds		
Canadian Large Cap Equity Pool	0.20	0.13
Canadian Small Cap Equity Pool	0.02	0.02
EAFE Core Equity Pool	0.28	0.30
EAFE Passive Equity Pool	0.60	0.44
EAFE Plus Equity Pool	0.30	0.29
US Large Cap Equity Pool	0.32	0.29
US Passive Equity Pooled Fund	0.59	0.54
US Mid/Small Cap Equity Pool	0.21	0.24

(b) Valuation of Assets and Liabilities

Investments are stated at fair value. The methods used to determine fair value of investments held by pooled investment funds are explained in the following paragraphs:

Short-term securities, public fixed income securities and equities are valued at the year-end closing sale price or the average of the latest bid and ask prices quoted by an independent securities valuation company.

Private fixed income securities and mortgages are valued based on the net present value of future cash flows. These cash flows are discounted using Government of Canada bond rates adjusted for a risk premium estimated by management of Alberta Revenue.

Real estate investments are reported at their most recent appraised value net of any liabilities against the real property. Qualified external real estate appraisers appraise real estate properties annually.

The fair values of deposits, receivables, accrued investment income and payables are estimated to approximate their book values.

(c) Income Recognition

Dividends are accrued on the ex-dividend date. Income from other investments is accrued as earned. Gains or losses on investments are recognized concurrently with changes in fair value.

(d) Foreign Exchange

Foreign currency transactions are translated into Canadian dollars using average rates of exchange; except for hedged foreign currency transactions, which are translated at rates of exchange, established by the terms of the forward exchange contracts. At year-end, the fair value of investments and any other assets and liabilities denominated in a foreign currency are translated at the year-end exchange rate. Exchange differences are included in the determination of investment income or loss.

(e) Valuation of Derivative Contracts

Derivative contracts (see Note 5) include equity and bond index swaps, interest rate swaps, forward foreign exchange contracts, equity index futures contracts and cross-currency interest rate swaps. The value of derivative contracts is included in the fair value of pooled investment funds. The estimated amount receivable or payable from derivative contracts at the reporting date is determined by the following methods:

- Equity and bond index swaps are valued based on changes in the appropriate market based index net of accrued floating rate interest.
- Interest rate swaps are valued based on discounted cash flows using current market yields.
- Forward foreign exchange contracts and equity index futures contracts are based on quoted market prices.

Income and expense from derivative contracts are accrued as earned and included in investment income or loss. Gains and losses on forward foreign exchange contracts are recognized concurrently with changes in fair value.

Note 3 Investments (Schedules 1 to 4)

	2003		2002	
	($ thousands)	%	($ thousands)	%
Fixed Income Securities (Schedule 1)				
Deposit in the Consolidated Cash Investment Trust Fund [a]	$ 1,337	1.7	$ 1,494	1.7
Canadian Dollar Public Bond Pool [b]	24,916	31.8	28,769	32.5
Private Mortgage Pool [c]	3,907	5.0	3,404	3.8
Total fixed income securities	30,160	38.5	33,667	38.0
Canadian Equities (Schedule 2)				
Domestic Passive Equity Pooled Fund [d]	6,463	8.2	8,123	9.2
External Managers				
Canadian Large Cap Equity Pool [e]	5,080	6.5	2,723	3.1
Canadian Small Cap Equity Pool [e]	83	0.1	90	0.1
Canadian Pooled Equities Fund [f]	4,044	5.2	7,627	8.6
	15,670	20.0	18,563	21.0
United States Equities (Schedule 3)				
External Managers				
U.S. Large Cap Equity Pool [g]	5,824	7.4	6,882	7.7
U.S. Passive Equity Pool [h]	3,688	4.7	7,793	8.8
U.S. Mid/Small Cap Equity Pool [g]	838	1.1	971	1.1
S&P 500 Pooled Index Fund [h]	3,453	4.4	–	–
	13,803	17.6	15,646	17.6
Non-North American Equities (Schedule 4)				
External Managers				
EAFE Core Equity Pool [i]	6,962	8.9	8,191	9.2
EAFE Plus Equity Pool [i]	3,486	4.5	4,047	4.6
EAFE Passive Equity Pool [j]	3,470	4.4	3,904	4.4
EAFE Structured Equity Pooled Fund	–	–	19	–
	13,918	17.8	16,161	18.2
Real Estate				
Private Real Estate Pool [k]	4,787	6.1	4,633	5.2
Total equities and real estate	48,178	61.5	55,003	62.0
Total Investments	**$ 78,338**	**100.0**	**$ 88,670**	**100.0**

[a] The Consolidated Cash Investment Trust Fund is managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed income securities with a maximum term to maturity of three years.

[b] The Canadian Dollar Public Bond Pool is managed with the objective of providing competitive returns comparable to the total return of the Scotia Capital Universe Bond Index over a four-year period while maintaining adequate security and liquidity of participants' capital. The portfolio is comprised of high quality Canadian fixed income instruments and debt related derivatives. Competitive returns are achieved through management of the portfolio duration and sector rotation

Note 3 Investments (Schedules 1 to 4) *(continued)*

The Private Mortgage Pool is managed with the objective of providing investment returns higher than the Scotia Capital Universe Bond Index over the long-term. The portfolio is comprised primarily of high-quality commercial mortgage loans and provincial bond residuals. In order to reduce risk, the Pool only invests in loans insured by a federal agency and first-mortgage loans that provide diversification by property usage and geographic location.

The Domestic Passive Equity Pooled Fund is managed on a passive approach with the objective of providing investment returns comparable to the Toronto Stock Exchange S&P/TSX Composite Index. The portfolio is comprised of both publicly traded Canadian equities and structured investments replicating the S&P/TSX Composite Index.

The External Managers Canadian Large Cap and Small Cap Equity Pools consist of multiple portfolios of publicly traded Canadian equities. An external manager actively manages each portfolio with expertise in the Canadian large cap or small cap equity markets. The Canadian Small Cap Pool is restricted to invest in publicly traded Canadian equities with a market capitalization of up to 0.15% of the S&P/TSX Composite Index total market capitalization at time of purchase. The performance objective is to provide investment returns higher than the total return of the S&P/TSX Composite Index over a four-year period while reducing return volatility through multiple manager investment style and unique market capitalization focus.

The Canadian Pooled Equities Fund is managed with the objective of providing returns higher than the total return of the S&P/TSX Composite Index over a four-year period while maintaining preservation of participants' capital. The portfolio is comprised of publicly traded equities in Canadian corporations and is designed to reduce risk by prudent security selection and sector rotation.

The External Managers US Large Cap Equity Pool consists of multiple portfolios and the External Managers US Mid/Small Cap Equity Pool consists of a single portfolio of publicly traded United States equities. An external manager actively manages each portfolio with expertise in the US large cap or mid/small cap equity markets. The performance objective is to provide returns higher than the total return of the S & P 500 Index for the US Large Cap Pool and the Russell 2500 Index for the US Mid/Small Cap Pool over a four-year period. Return volatility is reduced through multiple manager investment style and unique market capitalization focus.

The External Managers U.S. Passive Equity Pool and the S&P 500 Pooled Index Fund consist of publicly traded United States equities similar in weights to the Standard & Poor's S&P 500 Index. Managers passively manage the pooled funds with expertise in the U.S. equity market. The performance objective is to provide investment returns comparable to the total return of the S&P 500 Index over a four-year period.

The External Managers EAFE (Europe, Australia and Far East) Core and Plus Equity Pools consist of multiple portfolios of publicly traded Non-North American equities. Each core portfolio is actively managed by an external manager and has constraints on foreign currency management and deviations from the Morgan Stanley Capital International (MSCI) EAFE Index asset mix by country. External managers actively manage the EAFE Plus portfolios with fewer constraints on country allocation, stock selection, currency management and investments in emerging markets. The performance objective is to provide investment returns higher than the total return of the MSCI EAFE Index over a four-year period while reducing return volatility through multiple manager investment style and market diversification.

The External Managers EAFE Passive Equity Pool's performance objective is to provide returns comparable to the total return of the MSCI EAFE index over a four-year period. The Pool consists of a single portfolio of Non-North American publicly traded equities similar in weights to the MSCI EAFE index.

The Private Real Estate Pool is managed with the objective of providing investment returns comparable to the Russell Canadian Property Index over the long-term. Real estate is held through intermediate companies, which have issued to the Pool common shares and participating debentures secured by a charge on real estate. Risk is reduced by investing in properties that provide diversification by geographic location, by property type and by tenancy. The Pool is intended to provide diversification from the securities market.

Note 4 Investment Risk Management

Fair values of investments are exposed to credit risk and price risk. Credit risk relates to the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Price risk is comprised of currency risk, interest rate risk and market risk. Currency risk relates to the possibility that the investments will change in value due to future fluctuations in foreign exchange rates. Interest rate risk relates to the possibility that the investments will change in value due to future fluctuations in market interest rates. Market risk relates to the possibility that the investments will change in value due to future fluctuations in market prices.

Actuarial liabilities of the Plan are primarily affected by the long-term real rate of return on investments. In order to earn the best possible return at an acceptable level of risk, the Public Service Commissioner has established a policy asset mix of 40% fixed income instruments and 60% equities. Investment risk is reduced through asset class diversification, diversification within each asset class; quality constraints on fixed income instruments and restrictions on amounts exposed to countries designated as emerging markets. Controls are in place respecting the use of derivatives (see Note 5). Forward foreign exchange contracts are used to manage currency exposure in connection with securities purchased in foreign currency (see Note 5).

Note 5 Derivative Contracts

Derivative contracts are financial contracts, the value of which is derived from the value of underlying assets, indices, interest rates or currency rates. The Plan uses derivative contracts held indirectly through pooled investment funds to enhance return, manage exposure to interest and foreign currency risks, and for asset mix management purposes. The notional value of a derivative contract represents the amount to which a rate or price is applied in order to calculate the exchange of cash flows.

A swap is a contractual agreement between two counter-parties to exchange a series of cash flows based on a notional amount. An equity or bond index swap involves the exchange of a floating interest rate cash flow for one based on the performance of a market index. For interest rate swaps, parties generally exchange fixed and floating rate interest cash flows based on a notional amount. Cross-currency interest rate swaps are contractual obligations in which the principal amounts of Canadian fixed-income securities denominated in foreign currency are exchanged for Canadian currency amounts both initially and at maturity. Over the term of the cross-currency swap, counter-parties exchange fixed to fixed and fixed to floating interest rate cash flows in the swapped currencies. There are underlying securities supporting all swaps. Leveraging is not allowed.

Forward foreign exchange contracts are agreements to exchange specified currencies at an agreed upon exchange rate and on an agreed settlement date in the future.

Equity index futures contracts are agreements to receive or pay cash on an agreed settlement date based on changes in the level of a specified stock index in the future.

Note 5 Derivative Contracts *(continued)*

The following is a summary of the Plan's proportionate share of the notional amount and fair value of derivative contracts held by pooled funds at March 31, 2003:

	Maturity			2003		2002	
	Under 1 Year	1 to 3 Years	Over 3 Years	Notional Amount	Net Fair Value (a)	Notional Amount	Net Fair Value
	%			($ thousands)			
Equity index swap contracts	90	10	–	$ 3,595	$ (82)	$ 3,792	$ 58
Bond index swap contracts	100	–	–	433	(1)	486	(4)
Interest rate swap contracts	35	63	2	2,580	(88)	1,781	(66)
Forward foreign exchange contracts	100	–	–	2,506	68	2,136	2
Equity index futures contracts	100	–	–	98	3	–	–
Cross-currency interest rate swap contracts (b)	19	15	66	2,069	(420)	3,065	
				$ 11,281	$ (520)	$ 11,260	$ (10)

(a) The method of determining fair value of derivative contracts is described in Note 2

(b) Information is not available.

The notional amounts, upon which payments are based, are not indicative of the credit risk associated with derivative contracts. Current credit exposure is represented by the current replacement cost of all outstanding contracts in a favourable position (positive fair value). The Plan attempts to limit its credit exposure by dealing with counter-parties believed to have good credit standing.

Note 6 Accrued Long-Term Disability Benefits

(a) Actuarial Valuation

Johnson Incorporated carried out an actuarial valuation of the Plan as at March 31, 2003. The 2003 valuation resulted in an actuarial deficiency of $14.4 million as disclosed in the statement of net assets available for benefits and accrued long-term disability benefits.

The accrued long-term disability benefits as at March 31, 2003 was determined using the projected benefit method based on estimates of the Plan's Disabled Life Reserve and the Incurred But Unreported Reserve. The assumptions used in the valuation were developed as the best estimate of expected short and long-term market conditions and other future events. The Public Service Commissioner after consultation with the Plan's actuary adopted these estimates. The major assumptions used were:

Note 6 Accrued Long-Term Disability Benefits *(continued)*

	2003 Valuation	2002 Valuation
	%	
Interest discount rate	7.0	7.5
Continuance rates		
Based on 1984 Commissioner's Group Disability Table	Modified*	Modified*
Incurred but unreported reserve factor		
As percentage of premiums	30	35

* The rates have been modified by both age and duration to reflect adjudication practices respecting disability definition specific to this plan.

The Disabled Life Reserve is an estimate of the value of future payments to be made over the life of incurred claims, discounted to a current value using a rate of 7.0%

The Incurred But Unreported Reserve is an estimate of the value of the financial impact of claims that are either unreported or not approved at the fiscal year end, but which will ultimately be accepted for benefits. Based on a review of historical reserves, the actuary determined a reserve factor of 30% of premiums was appropriate for estimating the reserve amount.

The following statement shows the principal components of the change in the value of accrued long-term disability benefits.

	($ thousands)	
	2003	2002
Accrued long-term disability benefits at beginning of year	$ 96,816	$ 101,163
Interest accrued on benefits	7,261	7,587
Change in actuarial assumption of interest discount rate	2,134	-
Change in actuarial assumption of incurred but unreported reserve factor	(933)	(371)
Net experience gains	(8,768)	(8,670)
New claims	13,951	14,759
Terminations	(18,417)	(17,652)
Accrued long-term disability benefits at end of year	**$ 92,044**	**$ 96,816**

Note 6 Accrued Long-Term Disability Benefits *(continued)*

(b) Sensitivity of Changes in Major Assumptions

The Plan's future experience will inevitably differ, perhaps significantly, from the assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future valuations and will affect the financial position of the Plan.

As at March 31, 2003, holding the continuance rates and incurred but unreported reserve factor constant, a 1% decrease in the assumed interest discount rate would result in the actuarial deficiency of the Plan increasing by $4.4 million.

Note 7 Net Investment (Loss) Income

(a) Net investment (loss) income is compromised of the following:

	($ thousands)			
	2003		2002	
Interest income	$	2,056	$	2,255
Dividend income		843		1,201
Real Estate income		243		247
Securities lending income		22		19
Net realized and unrealized losses on investments including those arising from derivative transactions		(12,745)		(1,237)
Pooled funds management and associated custodial fees		(102)		(93)
	$	(9,683)	$	2,392

(b) The following is a summary of the Plan's proportionate share of net investment (loss) income by type of investments:

	($ thousands)			
	2003		2002	
Deposits and Fixed Income Securities	$	2,995	$	1,895
Canadian Equities		(3,104)		818
Foreign Equities				
United States		(5,125)		147
Non-North American		(4,884)		(765)
Real Estate		435		297
	$	(9,683)	$	2,392

Note 7 Net Investment (Loss) Income *(continued)*

(c) The Plan uses the time-weighted rate of return based on market values to measure performance. The measure involves the calculation of the return realized by the Plan over a specified period and is a measure of the total proceeds received from an investment dollar initially invested. Total proceeds include cash distributions (interest and dividend payments) and capital gains or losses (realized and unrealized).

The time-weighted rate of return measures the compounded rate of growth of the initial investment over the specified period. It is designed to eliminate the effect that the size and timing of cash flows have on the internal rate of return. The investment industry uses time-weighted rates of return calculated using market values when comparing the returns of funds with other funds or indices.

Investment returns for the Plan for the one-year and four-year periods ended March 31, 2003, are as follows:

	One Year Return				**4 Year Compound Annualized Return**
	2003	**2002**	**2001**	**2000**	
Time-weighted rates of return					
Short-term fixed income	2.9	4.0	5.9	5.7	4.6
Scotia Capital 91-Day T-Bill Index	*2.7*	*3.7*	*5.7*	*4.7*	*4.2*
Long-term fixed income	9.7	5.9	9.5	1.3	6.5
Scotia Capital Universe Bond Index	*9.2*	*5.1*	*8.7*	*1.3*	*6.0*
Canadian equities	(17.4)	4.0	(16.2)	40.2	0.2
Toronto Stock Exchange S&P/TSX Composite Index	*(17.6)*	*4.9*	*(18.6)*	*45.5*	*0.6*
United States equities	(30.6)	1.3	(14.3)	13.3	(9.1)
Standard & Poor's 500 Index	*(30.7)*	*1.6*	*(15.1)*	*13.2*	*(9.3)*
Non-North American equities	(29.1)	(5.5)	(23.7)	38.5	(8.3)
MSCI EAFE Index	*(29.3)*	*(7.3)*	*(19.6)*	*20.1*	*(10.8)*
Real Estate	9.8	7.5	n/a	n/a	n/a
*Russell Canadian Property Index**	*8.8*	*9.0*	*n/a*	*n/a*	*n/a*
Overall	**(10.8)**	**2.7**	**(6.6)**	**19.8**	**0.6**
Policy Benchmark	***(11.4)***	***2.7***	***(6.3)***	***17.6***	***0.1***

* Comprises the Russell Canadian Property Index to December 31, 2002 and the Consumer Price Index plus 5% thereafter.

Note 8 Administration Expenses

	($ thousands)			
	2003		2002	
Investment management, actuarial fees and other services	$	89	$	96
General administration costs		81		112
Bad debts (recovery)		(1)		57
	$	169	$	265

Investment management costs were paid to Alberta Revenue and do not include custodial and pooled fund management fees, which have been deducted in arriving at investment income [see Note 7(a)].

Accommodation and certain administration costs, including salaries, benefits and telecommunication services incurred on behalf of the Plan by the Government of Alberta have not been included in the Plan's expenses. These costs are recorded by the Government of Alberta and are not recovered from the Plan.

Note 9 Budget Information

The accrued long-term disability benefits are based on the Public Service Commissioner's best estimates of future events after consultation with the Plan's actuary. Differences between actual results and the Commissioner's expectations are disclosed in Note 6 as experience gains and losses in the table of changes in the value of accrued long-term disability benefits. Accordingly, a budget is not included in these financial statements.

Note 10 Contingent Liabilities

As at March 31, 2003, the Province was named as defendant in three (2002 two) legal actions relating to long-term disability benefits claims. The total claimed in two (2002 one) of these specific legal actions amounted to approximately $564,000 (2002 $471,000) while the remaining claim has not specified any amount. The resulting loss, if any, from these claims and other potential claims cannot be determined.

Note 11 Comparative Figures

Comparative figures have been reclassified to be consistent with 2003 presentation.

Note 12 Approval of Financial Statements

These financial statements were prepared by management and approved by the Acting Public Service Commissioner.

Schedule 1

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – BARGAINING UNIT

SCHEDULE OF INVESTMENTS IN FIXED INCOME SECURITIES

March 31, 2003

	($ thousands)	
	Plan's Share	
	2003	2002
Deposits and short-term securities	$ 1,407	$ 1,830
Fixed Income Securities (a)		
Public		
Government of Canada, direct and guaranteed	5,115	8,107
Provincial		
Alberta, direct and guaranteed	61	90
Other, direct and guaranteed	4,854	5,166
Municipal	525	426
Corporate, Public and Private	17,908	17,750
	28,463	31,539
Receivable from sale of investments and accrued investment income	345	690
Liabilities for investment purchases	(55)	(392)
	290	298
	$ 30,160	$ 33,667

(a) Fixed income securities held as at March 31, 2003, had an average effective market yield of 5.55% per annum (2002: 5.93% per annum). The following term structure of these securities as at March 31, 2003, is based on principal amount:

	2003	2002
	%	
Under 1 year	2	7
1 to 5 years	36	32
6 to 10 years	29	30
11 to 20 years	13	12
Over 20 years	20	19
	100	100

Schedule 2

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – BARGAINING UNIT

SCHEDULE OF INVESTMENTS IN CANADIAN EQUITIES

March 31, 2003

	($ thousands)	
	Plan's Share	
	2003	2002
Deposits and short-term securities	$ 158	$ 243
Public Equities		
Consumer discretionary	1,068	1,436
Consumer staples	641	686
Energy	2,454	2,412
Financials	5,125	5,556
Health Care	537	734
Industrials	1,102	1,726
Information technology	800	1,517
Materials	2,411	2,727
Telecommunication services	803	681
Utilities	538	490
	15,479	17,965
Passive index	106	251
	15,585	18,216
Receivable from sale of investments and accrued investment income	47	160
Liabilities for investment purchases	(120)	(56)
	(73)	104
	$ **15,670**	$ **18,563**

The Plan's net investment in Canadian public equities includes the fair value of deposits and floating rate notes, totalling $3,389,000 (2002 $3,775,000), which are used as underlying securities to support the notional amount of Canadian equity index swap contracts.

The sector classification conforms to the Global Industry Classification Standard followed by the Toronto Stock Exchange S&P/TSX Composite Index.

Schedule 3

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – BARGAINING UNIT

SCHEDULE OF INVESTMENTS IN UNITED STATES EQUITIES

March 31, 2003

	($ thousands)	
	Plan's Share	
	2003	2002
Deposits and short-term securities	$ 179	$ 102
Public Equities [*] [**]		
Consumer discretionary	2,290	2,152
Consumer staples	1,270	1,517
Energy	878	1,103
Financial	2,669	2,797
Health care	2,029	1,949
Industrials	1,511	1,750
Information technology	1,858	2,499
Materials	381	543
Telecommunication Services	390	564
Utilities	341	590
	13,617	15,464
Passive index	1	2
	13,618	15,466
Receivable from sale of investments and accrued investment income	32	149
Liabilities for investment purchases	(26)	(71)
	6	78
	$ 13,803	**$ 15,646**

[*] The Plan's net investment in United States public equities includes the fair value of deposits and floating rate notes, totalling $304,000 (2002 $Nil), which were used as underlying securities to support US equity index swap contracts.

[**] The sector classification confirms to the Global Industry Classification Standard followed by the Standard & Poor's S&P 500 Index.

Schedule 4

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – BARGAINING UNIT

SCHEDULE OF INVESTMENTS IN NON-NORTH AMERICAN EQUITIES

March 31, 2003

	($ thousands)	
	Plan's Share	
	2003	2002
Deposits and short-term securities	$ 517	$ 253
Public Equities		
Country		
United Kingdom	3,697	3,985
Japan	2,193	2,743
France	1,230	1,786
Switzerland	1,058	1,291
Netherlands	846	1,284
Australia	722	650
Germany	659	1,056
Italy	611	534
Hong Kong	399	456
Spain	373	419
Finland	237	304
Sweden	228	271
Other	1,250	1,145
	13,503	15,924
Receivable from sale of investments and accrued investment income	109	275
Liabilities for investment purchases	(211)	(291)
	(102)	(16)
	$ **13,918**	$ **16,161**

Long-Term Disability Income Continuance Plan – Management, Opted Out and Excluded

Financial Statements

March 31, 2003

- Auditor's Report
- Statement of Net Assets Available for Benefits and Accrued Long-Term Disability Benefits
- Statement of Changes in Net Assets Available for Benefits
- Notes to the Financial Statements
- Schedule of Investments in Fixed Income Securities
- Schedule of Investments in Canadian Equities
- Schedule of Investments in United States Equities
- Schedule of Investment in Non-North American Equities

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Minister Responsible for the Personnel Administration Office

I have audited the Statement of Net Assets Available for Benefits and Accrued Long-Term Disability Benefits of the Long-Term Disability Income Continuance Plan – Management, Opted Out and Excluded as at March 31, 2003, and the Statement of Changes in Net Assets Available for Benefits for the year then ended. These financial statements are the responsibility of the Plan's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the Net Assets Available for Benefits and Accrued Long-Term Disability Benefits of the Plan as at March 31, 2003, and the Changes in its Net Assets Available for Benefits for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn

FCA
Auditor General

Edmonton, Alberta
June 6, 2003

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – MANAGEMENT, OPTED OUT AND EXCLUDED

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS AND ACCRUED LONG-TERM DISABILITY BENEFITS

As at March 31, 2003

	($ thousands)	
	2003	**2002**
Net assets available for benefits		
Assets		
Investments (Note 3)	$ 16,769	$ 16,439
Accounts receivable	40	43
	16,809	16,482
Liabilities		
Accounts payable and accrued liabilities	113	114
Net assets available for benefits	16,696	16,368
Accrued long-term disability benefits (Note 6)	(19,749)	(19,024)
Actuarial deficiency (Note 6)	**$ (3,053)**	**$ (2,656)**

The accompanying notes and schedules are part of these financial statements.

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – MANAGEMENT, OPTED OUT AND EXCLUDED

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the year ended March 31, 2003

	($ thousands)	
	2003	**2002**
Increase in assets		
Employer contributions	$ 6,124	$ 5,195
Net investment income (Note 7)		409
	6,124	5,604
Decrease in assets		
Benefits	3,675	3,540
Net investment loss (Note 7)	1,864	-
Adjudication	155	138
Severance	44	401
Rehabilitation	16	27
Administration expenses (Note 8)	42	75
	5,796	4,181
Increase in net assets	328	1,423
Net assets available for benefits at beginning of year	16,368	14,945
Net assets available for benefits at end of year	**$ 16,696**	**$ 16,368**

The accompanying notes and schedules are part of these financial statements.

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – MANAGEMENT, OPTED OUT AND EXCLUDED

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2003

Note 1 Summary Description of the Plan

The following description of the Long-Term Disability Income Continuance Plan (the Plan) for management opted out and excluded employees is a summary only. For a complete description of the Plan, reference should be made to section 21 of the *Public Service Act*, the Long-Term Disability Income Continuance Plan Regulation, the Long-Term Disability Benefits Regulation (*Legislative Assembly Act*), Section 98 of the Financial Administration Act and Treasury Board Directive 09/98, as amended.

(a) General

The Plan provides disability benefits and insures income continuance of eligible Government of Alberta management, opted out and excluded employees, members of the Legislative Assembly and Provincial Judges. Employees included in an Alberta Union of Provincial Employee's bargaining unit are covered under a separate Plan.

(b) Funding Policy

Long-term disability benefits are funded by employer and Government contributions at a rate, which is expected to provide for all benefits payable under the Plan. The rate in effect at March 31, 2003, was unchanged at 1.7% of insurable salary for employer and the Government. The rate is to be reviewed at least once every three years by the Public Service Commissioner based on recommendations of the Plan's actuary.

On March 30, 1998, the Government of Alberta provided a one-time contribution of $13,698,000 to the Plan, representing the Plan's accrued long-term disability benefits as at December 31, 1997, as determined by the Plan's actuary. Any deficiencies incurred by the Plan are to be funded by increasing employer contributions.

(c) Long-Term Disability Benefits

Benefits are payable when eligible plan members become disabled for 80 consecutive normal workdays as the result of bodily injury or illness, as determined by the Plan's adjudicator. Plan members are eligible for coverage after completion of three consecutive months of service without absence in a permanent position, or a full year in a temporary position. The Plan provides for benefits equalling to 70% of members' pre-disability salary. Reduced benefits are payable to eligible members who receive compensation from the Workers' Compensation Board or the Crimes Compensation Board, or benefits under the Canada Pension Plan or any other group disability plan, or vacation leave pay or employment income under a rehabilitation program. At year-end a contingent gain may exist relating to plan members who applied for Canada Pension Plan benefits, but who have not yet been approved. If approved, an amount equal to the monthly Canada Pension

Note 1 Summary Description of the Plan *(continued)*

Long-Term Disability Benefits *(continued)*

Plan benefit times the number of months the person has been receiving benefits, will be recovered.

No benefit is payable if the disability is the result of injuries suffered from participation in a criminal act or an act of war, or injury or illness which are self-inflicted intentionally.

Disabled members who are not under the continuous care of a physician or who are confined in prisons are not eligible for benefits.

Benefits terminate upon the earliest of the date the member resigns or is gainfully employed or is no longer disabled, three months after the adjudicator declares the member is suitable for gainful employment, or the date the member attains age 65 and is eligible for an unreduced public service pension. Benefits also terminate when a member's earnings under a rehabilitation program are the same as his pre-disability salary or after 24 months where the member is in a temporary position.

(d) Decrease in Net Assets

Expenses of the Plan include benefits paid out, severance payments for resignation of employment subsequent to disability leave, rehabilitation expenses, adjudication fees and administrative costs. Adjudication fees include services performed by an independent agent in determining the eligibility of claims, the amounts of eligible benefits and the time period applicable for disability.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

(a) Basis of Presentation

These financial statements are prepared on the going concern basis in accordance with Canadian generally accepted accounting principles. The statements provide information about the net assets available in the Plan to meet future benefit payments and are prepared to assist Plan members and others in reviewing the activities of the Plan for the year.

Plan investments are held in pooled investment funds administered by Alberta Revenue. Pooled investment funds have a market-based unit value that is used to allocate income to pool participants and to value purchases and sales of pool units.

The Plan's percentage ownership in pooled investment funds at March 31 was as follows:

Note 2 Summary of Significant Accounting Policies and Reporting Practices
(continued)

	% Ownership	
	2003	2002
Internally Managed Pooled Investment Funds		
Canadian Dollar Public Bond Pool	0.07	0.06
Canadian Pooled Equities Fund	0.08	0.07
Domestic Passive Equity Pooled Fund	0.06	0.06
Private Mortgage Pool	0.08	0.07
Private Real Estate Pool	0.04	0.05
S&P 500 Pooled Index Fund	0.15	–
EAFE Structured Equity Pooled Fund	–	0.001
Externally Managed Pooled Investment Funds		
Canadian Large Cap Equity Pool	0.04	0.02
Canadian Small Cap Equity Pool	0.02	0.006
EAFE Core Equity Pool	0.06	0.05
EAFE Passive Equity Pool	0.13	0.08
EAFE Plus Equity Pool	0.06	0.05
US Large Cap Equity Pool	0.07	0.05
US Passive Equity Pooled Fund	0.12	0.10
US Mid/Small Cap Equity Pool	0.05	0.05

(b) Valuation of Assets and Liabilities

Investments are stated at fair value. The methods used to determine fair value of investments held by pooled investment funds are explained in the following paragraphs:

- Short-term securities, public fixed income securities and equities are valued at the year-end closing sale price or the average of the latest bid and ask prices quoted by an independent securities valuation company.
- Private fixed income securities and mortgages are valued based on the net present value of future cash flows. These cash flows are discounted using Government of Canada bond rates adjusted for a risk premium estimated by management of Alberta Revenue.
- Real estate investments are reported at their most recent appraised value net of any liabilities against the real property. Qualified external real estate appraisers appraise real estate properties annually.

The fair values of deposits, receivables, accrued investment income and payables are estimated to approximate their book values.

Note 2 Summary of Significant Accounting Policies and Reporting Practices *(continued)*

(c) Income Recognition

Dividends are accrued on the ex-dividend date. Income from other investments is accrued as earned. Gains or losses on investments are recognized concurrently with changes in fair value.

(d) Foreign Exchange

Foreign currency transactions are translated into Canadian dollars using average rates of exchange except for hedged foreign currency transactions, which are translated at rates of exchange established by the terms of the forward exchange contracts. At the year-end, the fair value of investments and any other assets and liabilities denominated in a foreign currency are translated at the year-end exchange rate. Exchange differences are included in the determination of investment income or loss.

(e) Valuation of Derivative Contracts

Derivative contracts (see Note 5) include equity and bond index swaps, interest rate swaps, forward foreign exchange contracts, equity index futures contracts and cross-currency interest rate swaps. The value of derivative contracts is included in the fair value of pooled investment funds. The estimated amount receivable or payable from derivative contracts at the reporting date is determined by the following methods:

- Equity and bond index swaps are valued based on changes in the appropriate market based index net of accrued floating rate interest.
- Interest rate swaps are valued based on discounted cash flows using current market yields.
- Forward foreign exchange contracts and equity index futures contracts are based on quoted market prices.

Income and expense from derivative contracts are accrued as earned and included in investment income or loss. Gains and losses on forward foreign exchange contracts are recognized concurrently with changes in fair value.

Note 3 Investments (Schedules 1 to 4)

	2003		2002	
	($ thousands)	%	($ thousands)	%
Fixed Income Securities (Schedule 1)				
Deposit in the Consolidated Cash Investment Trust Fund	$ 609	3.7	$ 618	3.7
Canadian Dollar Public Bond Pool	5,283	31.5	5,242	31.9
Private Mortgage Pool	809	4.8	620	3.8
Total fixed income securities	6,701	40.0	6,480	39.4
Canadian Equities (Schedule 2)				
Domestic Passive Equity Pooled Fund	1,285	7.7	1,471	9.0
External Managers				
Canadian Large Cap Equity Pool	1,104	6.6	481	2.9
Canadian Small Cap Equity Pool	75	0.4	28	0.2
Canadian Pooled Equities Fund	870	5.2	1,365	8.3
	3,334	19.9	3,345	20.4
United States Equities (Schedule 3)				
External Managers				
US Passive Equity Pool	1,263	7.5	1,256	7.7
US Large Cap Equity Pool	742	4.4	1,461	8.9
US Mid/Small Cap Equity Pool	191	1.2	188	1.1
S&P 500 Pooled Index Fund	744	4.4	–	–
	2,940	17.5	2,905	17.7
Non-North American Equities (Schedule 4)				
External Managers				
EAFE Core Equity Pool	1,471	8.8	1,466	8.9
EAFE Passive Equity Pool	747	4.4	720	4.4
EAFE Plus Equity Pool	733	4.4	729	4.4
EAFE Structured Equity Pooled Fund	–	–	3	–
	2,951	17.6	2,918	17.7
Real Estate				
Private Real Estate Pool	843	5.0	791	4.8
Total equities and real estate	10,068	60.0	9,959	60.6
Total Investments	**$ 16,769**	**100.0**	**$ 16,439**	**100.0**

[a] The Consolidated Cash Investment Trust Fund is managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed income securities with a maximum term to maturity of three years.

[b] The Canadian Dollar Public Bond Pool is managed with the objective of providing competitive returns comparable to the total return of the Scotia Capital Universe Bond Index over a four-year period while maintaining adequate security and liquidity of participants' capital. The portfolio is comprised of high quality Canadian fixed income instruments and debt related derivatives. Competitive returns are achieved through management of the portfolio duration and sector rotation.

Note 3 Investments (Schedules 1 to 4) *(continued)*

The Private Mortgage Pool is managed with the objective of providing investment returns higher than the Scotia Capital Universe Bond Index over the long-term. The portfolio is comprised primarily of high-quality commercial mortgage loans and provincial bond residuals. In order to reduce risk, the Pool only invests in loans insured by a federal agency and first-mortgage loans that provide diversification by property usage and geographic location.

The Domestic Passive Equity Pooled Fund is managed on a passive approach with the objective of providing investment returns comparable to the Toronto Stock Exchange S&P/TSX Composite Index. The portfolio is comprised of both publicly traded Canadian equities and structured investments replicating the S&P/TSX Composite Index.

The External Managers Canadian Large Cap and Small Cap Equity Pools consist of multiple portfolios of publicly traded Canadian equities. An external manager actively manages each portfolio with expertise in the Canadian large cap or small cap equity markets. The Canadian Small Cap Pool is restricted to invest in publicly traded Canadian equities with a market capitalization of up to 0.15% of the S&P/TSX Composite Index total market capitalization at time of purchase. The performance objective is to provide investment returns higher than the total return of the S&P/TSX Composite Index over a four-year period while reducing return volatility through multiple manager investment style and unique market capitalization focus.

The Canadian Pooled Equities Fund is managed with the objective of providing returns higher than the total return of the S&P/TSX Composite Index over a four-year period while maintaining preservation of participants' capital. The portfolio is comprised of publicly traded equities in Canadian corporations and is designed to reduce risk by prudent security selection and sector rotation.

The External Managers U.S. Large Cap Equity Pool consists of multiple portfolios and the External Managers U.S. Mid/Small Cap Equity Pool consists of a single portfolio of publicly traded United States equities. Each portfolio is actively managed by an external manager with expertise in the U.S. large cap or mid/small cap equity markets. The performance objective is to provide returns higher than the total return of the S&P 500 Index for the U.S. Large Cap Pool and the Russell 2500 Index for the U.S. Mid/Small Cap Pool over a four year period while reducing return volatility through multiple manager investment style and unique market capitalization focus.

The External Managers U.S. Passive Equity Pool and the S&P 500 Pooled Index Fund consist of publicly traded United States equities similar in weights to the Standard & Poor's S&P 500 Index. Managers passively manage the pooled funds with expertise in the U.S. equity market. The performance objective is to provide investment returns comparable to the total return of the S&P 500 Index over a four-year period.

The External Managers EAFE (Europe, Australia and Far East) Core and Plus Equity Pools consist of multiple portfolios of publicly traded Non-North American equities. Each core portfolio is actively managed by an external manager and has constraints on foreign currency management and deviations from the Morgan Stanley Capital International (MSCI) EAFE Index asset mix by country. External managers actively manage the EAFE Plus portfolios with fewer constraints on country allocation, stock selection, currency management and investments in emerging markets. The performance objective is to provide investment returns higher than the total return of the MSCI EAFE Index over a four-year period while reducing return volatility through multiple manager investment style and market diversification.

The External Managers EAFE Passive Equity Pool's performance objective is to provide returns comparable to the total return of the MSCI EAFE index over a four-year period. The Pool consists of a single portfolio of Non-North American publicly traded equities similar in weights to the MSCI EAFE index.

The Private Real Estate Pool is managed with the objective of providing investment returns comparable to the Russell Canadian Property Index over the long-term. Real estate is held through intermediate companies, which have issued to the Pool common shares and participating debentures secured by a charge on real estate. Risk is reduced by investing in properties that provide diversification by geographic location, by property type and by tenancy. The Pool is intended to provide diversification from the securities market.

Note 4 Investment Risk Management

Fair values of investments are exposed to credit risk and price risk. Credit risk relates to the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Price risk is comprised of currency risk, interest rate risk and market risk. Currency risk relates to the possibility that the investments will change in value due to future fluctuations in foreign exchange rates. Interest rate risk relates to the possibility that the investments will change in value due to future fluctuations in market interest rates. Market risk relates to the possibility that the investments will change in value due to future fluctuations in market prices

Actuarial liabilities of the Plan are primarily affected by the long-term real rate of return on investments. In order to earn the best possible return at an acceptable level of risk, the Public Service Commissioner has established a policy asset mix of 40% fixed income instruments and 60% equities. Investment risk is reduced through asset class diversification, diversification within each asset class; quality constraints on fixed income instruments and restrictions on amounts exposed to countries designated as emerging markets. Controls are in place respecting the use of derivatives (see Note 5). Forward foreign exchange contracts are used to manage currency exposure in connection with securities purchased in foreign currency (see Note 5).

Note 5 Derivative Contracts

Derivative contracts are financial contracts, the value of which is derived from the value of underlying assets, indices, interest rates or currency rates. The Plan uses derivative contracts held indirectly through pooled investment funds to enhance return, manage exposure to interest and foreign currency risks, and for asset mix management purposes. The notional value of a derivative contract represents the amount to which a rate or price is applied in order to calculate the exchange of cash flows.

A swap is a contractual agreement between two counter-parties to exchange a series of cash flows based on a notional amount. An equity or bond index swap involves the exchange of a floating interest rate cash flow for one based on the performance of a market index. For interest rate swaps, parties generally exchange fixed and floating rate interest cash flows based on a notional amount. Cross-currency interest rate swaps are contractual obligations in which the principal amounts of Canadian fixed-income securities denominated in foreign currency are exchanged for Canadian currency amounts both initially and at maturity. Over the term of the cross-currency swap, counter-parties exchange fixed to fixed and fixed to floating interest rate cash flows in the swapped currencies. There are underlying securities supporting all swaps. Leveraging is not allowed.

Forward foreign exchange contracts are agreements to exchange specified currencies at an agreed upon exchange rate and on an agreed settlement date in the future.

Equity index futures contracts are agreements to receive or pay cash on an agreed settlement date based on changes in the level of a specified stock index in the future.

Note 5 Derivative Contracts *(continued)*

The following is a summary of the Plan's proportionate share of the notional amount and fair value of derivative contracts held by pooled funds at March 31, 2003:

	Maturity			2003		2002	
	Under 1 Year	1 to 3 Years	Over 3 Years	Notional Amount	Net Fair Value	Notional Amount	Net Fair Value
	%			($ thousands)			
Equity index swap contracts	90	10	–	$ 719	$ (16)	687	$ 10
Bond index swap contracts	100	–	–	92	–	88	(1)
Interest rate swap contracts	35	63	2	519	(18)	323	(12)
Forward foreign exchange contracts	100	–	–	521	15	383	–
Equity index futures contracts	100	–	–	21	–	–	–
Cross-currency interest rate swap contracts (b)	18	15	67	431	(88)	557	
				$ 2,303	$ (107)	$ 2,038	$ (3)

(a) The method of determining fair value of derivative contracts is described in Note 2.

(b) Information is not available.

The notional amounts, upon which payments are based, are not indicative of the credit risk associated with derivative contracts. Current credit exposure is represented by the current replacement cost of all outstanding contracts in a favourable position (positive fair value). The Plan attempts to limit its credit exposure by dealing with counter-parties believed to have good credit standing.

Note 6 Accrued Long-Term Disability Benefits

(a) Actuarial Valuation

Johnson Incorporated carried out an actuarial valuation of the Plan as at March 31, 2003. The 2003 valuation resulted in an actuarial deficiency of $3.1 million as disclosed in the statement of net assets available for benefits and accrued long-term disability benefits.

The accrued long-term disability benefits as at March 31, 2003, was determined using the projected benefit method based on estimates of the Plan's Disabled Life Reserve and the Incurred But Unreported Reserve. The assumptions used in the valuation were developed as the best estimate of expected short and long-term market conditions and other future events. The Public Service Commissioner after consultation with the Plan's actuary, adopted these estimates. The major assumptions used were:

Note 6 Accrued Long-Term Disability Benefits *(continued)*

	2003 Valuation	2002 Valuation
	%	
Interest discount rate	7.0	7.5
Continuance rates		
Based on 1984 Commissioner's Group Disability Table	Modified*	Modified*
Incurred but unreported reserve factor		
As percentage of premiums	35	40

* The rates have been modified by both age and duration to reflect adjudication practices respecting disability definition specific to this plan.

The Disabled Life Reserve is an estimate of the value of future payments to be made over the life of incurred claims, discounted to a current value using a rate of 7.0%.

The Incurred But Unreported Reserve is an estimate of the value of the financial impact of claims that are either unreported or not approved at the fiscal year end, but which will ultimately be accepted for benefits. Based on a review of historical reserves, the actuary determined a reserve factor of 35% of premiums was appropriate for estimating the reserve amount.

The following statement shows the principal components of the change in the value of accrued long-term disability benefits:

	($ thousands)	
	2003	2002
Accrued long-term disability benefits at beginning of year	$ 19,024	$ 19,528
Interest accrued on benefits	1,427	1,465
Change in actuarial assumption of interest discount rate	373	–
Change in actuarial assumption of incurred but unreported reserve factor	(306)	–
Net experience (gains) losses	(1,750)	594
New claims	2,862	3,069
Terminations	(1,881)	(5,632)
Accrued long-term disability benefits at end of year	**$ 19,749**	**$ 19,024**

Note 6 Accrued Long-Term Disability Benefits *(continued)*

(b) Sensitivity of Changes in Major Assumptions

The Plan's future experience will inevitably differ, perhaps significantly, from the assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future valuations and will affect the financial position of the Plan.

As at March 31, 2003, holding the continuance rates and incurred but unreported reserve factor constant, a 1% decrease in the assumed interest discount rate would result in the actuarial deficiency of the Plan increasing by $0.8 million.

Note 7 Net Investment (Loss) Income

(a) Net investment (loss) income is comprised of the following:

	($ thousands)	
	2003	2002
Interest income	$ 415	$ 402
Dividend income	167	212
Real Estate income	43	42
Securities lending income	4	3
Net realized and unrealized losses on investments including those arising from derivative transactions	(2,473)	(234)
Pooled funds management and associated custodial fees	(20)	(16)
	$ (1,864)	$ 409

(b) The following is a summary of the Plan's proportionate share of net investment (loss) income by type of investments:

	($ thousands)	
	2003	2002
Deposits and Fixed Income Securities	$ 577	$ 330
Canadian Equities	(572)	118
Foreign Equities		
United States	(1,016)	33
Non-North American	(930)	(123)
Real Estate	77	51
	$ (1,864)	$ 409

Note 7 Net Investment (Loss) Income *(continued)*

(c) The Plan uses the time-weighted rate of return based on market values to measure performance. The measure involves the calculation of the return realized by the Plan over a specified period and is a measure of the total proceeds received from an investment dollar initially invested. Total proceeds include cash distributions (interest and dividend payments) and capital gains or losses (realized and unrealized).

The time-weighted rate of return measures the compounded rate of growth of the initial investment over the specified period. It is designed to eliminate the effect that the size and timing of cash flows have on the internal rate of return. The investment industry uses time-weighted rates of return calculated using market values when comparing the returns of funds with other funds or indices.

Investment returns for the Plan for the one-year and four-year periods ended March 31, are as follows:

	One Year Return				**4 Year Compound Annualized Return**
	2003	**2002**	**2001**	**2000**	
Time-weighted rates of return					
Short-term fixed income	3.0	4.1	5.9	6.7	4.9
Scotia Capital 91-Day T-Bill Index	*2.7*	*3.7*	*5.7*	*4.7*	*4.2*
Long-term fixed income	9.7	5.9	9.5	1.3	6.5
Scotia Capital Universe Bond Index	*9.2*	*5.1*	*8.7*	*1.3*	*6.0*
Canadian equities	(17.4)	3.5	(16.7)	39.9	(0.1)
Toronto Stock Exchange S&P/TSX Composite Index	*(17.6)*	*4.9*	*(18.6)*	*45.5*	*0.6*
United States equities	(30.7)	1.4	(14.4)	13.1	(9.2)
Standard & Poor's 500 Index	*(30.7)*	*1.6*	*(15.1)*	*13.2*	*(9.3)*
Non-North American equities	(29.1)	(5.5)	(23.5)	39.0	(8.1)
MSCI EAFE Index	*(29.3)*	*(7.3)*	*(19.6)*	*20.1*	*(10.8)*
Real Estate	9.8	7.5	n/a	n/a	n/a
*Russell Canadian Property Index**	*8.8*	*9.0*	*n/a*	*n/a*	*n/a*
Overall	**(10.7)**	**2.5**	**(6.6)**	**19.6**	**0.6**
Policy Benchmark	***(11.4)***	***2.7***	***(6.3)***	***17.6***	***0.1***

* Comprises the Russell Canadian Property Index to December 31, 2002, and the Consumer Price Index plus 5% thereafter.

Note 8 Administration Expenses

	($ thousands)			
	2003		2002	
Investment management, actuarial fees and other services	$	29	$	49
General administration costs		13		20
Other		–		6
	$	42	$	75

Investment management costs were paid to Alberta Revenue and do not include custodial and pooled fund management fees, which have been included in the calculation of investment income and loss [see Note 7(a)].

Accommodation and certain administration costs, including salaries, benefits and telecommunication services incurred on behalf of the Plan by the Government of Alberta have not been included in the Plan's expenses. These costs are recorded by the Government of Alberta and are not recovered from the Plan.

Note 9 Budget Information

The accrued long-term disability benefits are based on the Public Service Commissioner's best estimates of future events after consultation with the Plan's actuary. Differences between actual results and the Commissioner's expectations are disclosed in Note 6 as experience gains and losses in the table of changes in the value of accrued long-term disability benefits. Accordingly, a budget is not included in these financial statements.

Note 10 Comparative Figures

Comparative figures have been reclassified to be consistent with 2003 presentation.

Note 11 Approval of Financial Statements

These financial statements were prepared by management and approved by the Acting Public Service Commissioner.

Schedule 1

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – MANAGEMENT, OPTED OUT AND EXCLUDED

SCHEDULE OF INVESTMENTS IN FIXED INCOME SECURITIES

March 31, 2003

	($ thousands) Plan's Share 2003	($ thousands) Plan's Share 2002
Deposits and short-term securities	$ 624	$ 679
Fixed Income Securities*		
Public		
Government of Canada, direct and guaranteed	1,084	1,477
Provincial		
Alberta, direct and guaranteed	13	16
Other, direct and guaranteed	1,028	941
Municipal	111	78
Corporate, Public and Private	3,780	3,234
	6,016	5,746
Receivable from sale of investments and accrued investment income	73	126
Liabilities for investment purchases	(12)	(71)
	61	55
	$ 6,701	**$ 6,480**

* Fixed income securities held as at March 31, 2003, had an average effective market yield of 5.55% per annum (2002: 5.93% per annum). The following term structure of these securities as at March 31, 2003, was based on principal amount:

	2003 %	2002 %
Under 1 year	2	7
1 to 5 years	36	32
6 to 10 years	29	30
11 to 20 years	13	12
Over 20 years	20	19
	100	**100**

Schedule 2

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – MANAGEMENT, OPTED OUT AND EXCLUDED

SCHEDULE OF INVESTMENTS IN CANADIAN EQUITIES

March 31, 2003

	($ thousands)	
	Plan's Share	
	2003	2002
Deposits and short-term securities	$ 37	$ 43
Public Equities		
Consumer discretionary	234	266
Consumer staples	139	126
Energy	321	434
Financials	[illegible]	900
Health care	118	134
Industrials	242	316
Information technology	172	277
Materials	511	[illegible]
Telecommunication services	168	129
Utilities	111	85
	3,289	3,238
Passive Index	25	45
	3,314	3,283
Receivable from sale of investments and accrued investment income	10	29
Liabilities for investment purchases	(25)	(10)
	(15)	19
	$ 3,334	$ 3,345

The Plan's net investment in Canadian public equities includes the fair value of deposits and floating rate notes, totalling $674,000 (2002 $684,000), which were used as underlying securities to support the notional amount of Canadian equity index swap contracts.

The sector classification conforms to the Global Industry Classification Standard followed by the Toronto Stock Exchange S&P/TSX Composite Index.

Schedule 3

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – MANAGEMENT, OPTED OUT AND EXCLUDED

SCHEDULE OF INVESTMENTS IN UNITED STATES EQUITIES

March 31, 2003

	($ thousands)	
	Plan's Share	
	2003	2002
Deposits and short-term securities	$ 39	$ 19
Public Equities [(a)(b)]		
Consumer discretionary	490	400
Consumer staples	270	281
Energy	187	205
Financial	568	520
Health Care	432	362
Industrials	322	325
Information technology	395	463
Materials	81	101
Telecommunication Services	82	105
Utilities	73	109
	2,900	2,871
Receivable from sale of investments and accrued investment income	7	28
Liabilities for investment purchases	(6)	(13)
	1	15
	$ 2,940	**$ 2,905**

[(a)] The Plan's net investment in United States public equities includes the fair value of deposits and floating rate notes, totalling $66,000 (2002 $Nil), which were used as underlying securities to support U.S. equity index swaps contracts.

[(b)] The sector classification conforms to the Global Industry Classification Standard followed by the Standard & Poor's S&P 500 Index.

Schedule 4

LONG-TERM DISABILITY INCOME CONTINUANCE PLAN – MANAGEMENT, OPTED OUT AND EXCLUDED

SCHEDULE OF INVESTMENTS IN NON-NORTH AMERICAN EQUITIES

March 31, 2003

	($ thousands) Plan's Share 2003	($ thousands) Plan's Share 2002
Deposits and short-term securities	$ 109	$ 45
Public Equities		
Country		
United Kingdom	784	720
Japan	466	495
France	261	322
Switzerland	224	233
Netherlands	179	232
Germany	140	191
Australia	153	117
Italy	130	97
Hong Kong	84	82
Spain	79	76
Finland	50	55
Sweden	48	49
Other	266	206
	2,864	2,875
Receivable from sale of investments and accrued investment income	23	50
Liabilities for investment purchases	(45)	(52)
	(22)	(2)
	$ 2,951	**$ 2,918**

Workers' Compensation Board

other financial information – financial statements

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- Schedule A1 – Salaries and Benefits

Workers' Compensation Board

financial statements

FINANCIAL STATEMENTS

Management Commentary on the Financial Statements for 2002

RESULTS OF OPERATIONS

The overall result is an operating deficit of $59.4 million[1] brought about primarily by lower than expected premium and investment revenue.

The Occupational Disease Reserve decreased by $4.7 million consistent with the Funding Policy. The Fund Balance at December 31, 2002, is $167.2 million.

The average actual premium rate collected was slightly below the average premium rate required to meet the cost of current year injuries[2].

INVESTMENT ACTIVITIES

Investments held to meet future benefit obligations for past injuries decreased to $3,807.2 million, a reduction of 2.8%. The capital market in 2002 was quite weak resulting in a market return of negative 2.5% for 2002 compared to 0.0% for the previous year.

CLAIM BENEFIT LIABILITIES

Estimated claim benefit liabilities of the corporation increased to $3,519.3 million, an increase of 0.8%. Note 9 to the financial statements provides a reconciliation of the changes to the claim benefit liabilities. There were no material changes in 2002 to the actuarial assumptions or methodology other than as identified in the Actuarial Certificate and Note 9.

(1) (2) Please see notes on the following page

1. The operating deficit of $59.4 million can be attributed to the following:

Net investment revenue loss over liability requirements and investment revenue on the fund balance and reserves	$	(29.9 million)
Shortfall in premium revenue as a result of actual premium rate ($1.64) being lower than the required premium rate ($1.69) on $40.9 billion in insurable earnings		(17.7 million)
Actuarial adjustments		(12.0 million)
Other items		0.2 million
Total	$	(59.4 million)

2. Average Actual Compared to Average Required Premium Rates Per $100 Insurable Earnings

Year	Average Actual Premium Rate	Average Rate Required for Full Funding	Difference
2002	**1.64**	**1.69**	**(0.05)**
2001	1.29	1.73	(0.44)
2000	1.11	1.74	(0.63)
1999	1.06	1.64	(0.58)
1998	1.35	1.47	(0.12)
Average	1.29	1.65	(0.36)

Responsibility for Financial Reporting

The financial statements of the Workers' Compensation Board were prepared by management, which is responsible for the integrity and fairness of the data presented, including significant accounting judgments and estimates. This responsibility includes selecting appropriate accounting principles consistent with generally accepted accounting principles in Canada.

In discharging its responsibility for the integrity and fairness of the financial statements, management maintains the necessary internal controls designed to provide reasonable assurance that relevant and reliable financial information is produced and that assets are properly safeguarded.

The WCB's actuarial staff performs an annual actuarial valuation of the claim benefit liabilities included in the financial statements of the WCB.

The Board of Directors is responsible for overseeing management in the performance of financial reporting responsibilities and has approved the financial statements included in the Annual Report.

The Audit Committee assists the Board of Directors in its responsibilities. This committee reviews and recommends approval of the financial statements; and meets periodically with management, external auditors, and actuaries concerning internal controls and all other matters relating to financial reporting.

Watson Wyatt has been appointed as the independent consulting actuary to the WCB. Their role is to complete an independent review of the annual actuarial valuation of the claim benefit liabilities included in the financial statements of the WCB and to report thereon in accordance with generally accepted actuarial principles.

The Office of the Auditor General, the independent auditor of the WCB, has performed an audit of the financial statements of the WCB in accordance with Canadian generally accepted auditing standards. The Auditors' Report outlines the scope of this independent audit and the opinion expressed.

Rick LeLacheur
Chair, Board of Directors

Guy R. Kerr
President and
Chief Executive Officer

Ron W. Grainger
Ron W. Grainger
Chief Financial Officer

Watson Wyatt
Worldwide

TO THE BOARD OF DIRECTORS OF THE WORKERS' COMPENSATION BOARD – ALBERTA

We have made an independent review of the actuarial valuation of the liabilities for future benefits payable under the *Workers' Compensation Act* – Alberta as at December 31, 2002, in respect of accidents, which have occurred up to that date, in the context of professional practices, best estimates and levels of materiality.

The Board's actuarial staff are responsible for the actuarial assumptions and methods adopted for purposes of this valuation, the preparation of all data used in the valuation, reconciliation of the valuation data to the financial statements and the actuarial valuation report. The actuarial assumptions and methods used are based on the Board's best estimates and take into account current benefits, expenditures and practices, and assume that the Board is a continuing entity underwriting all occupational injuries and diseases in the covered workforce in Alberta. The Board actuary has provided his opinion that the data is sufficient and reliable for the purposes of this valuation, the actuarial assumptions are appropriate and the methods are consistent with sound actuarial principles, and that the valuation report has been prepared and his opinions are in accordance with accepted actuarial practice.

A summary of the net discount rates used in the actuarial valuation is referred to in the notes to the financial statements.

The actuarial valuation of these liabilities in the amount of $3,519,300,000 represents the actuarial present value at December 31, 2002, of all future short-term disability benefits, long-term disability benefits, survivor benefits, health care payments and rehabilitation payments and expenses of administration, which are expected to be made in future years and which relate to claims occurring on or before December 31, 2002. The actuarial valuation does not include benefits or payments that are on a self-insured basis.

The valuation was based on the *Workers' Compensation Act* in effect as of December 31, 2002, as administered by the Board, and on the current practices and administration procedures of the Workers' Compensation Board and historical claims experience.

There were several material changes in the assumptions and methods used since the last valuation, which are described in the actuarial report, and the results are summarized in note 9 of the financial statements.

Other changes made in respect of disability benefits for accidents after 1994 were based on an analysis of the experience, completed in 2002. There was a gain in 2002 as a result of commutations of certain existing permanent disability pensions on pre-1995 injuries. No allowance has been made for possible liabilities arising from the two Review Committees initiated by the Minister, the Department of Alberta Human Resources and Employment, which are referred to in the financial statements.

In our opinion, for the purpose of the valuation, the actuarial assumptions are appropriate and the methods employed are consistent with sound actuarial principles. The valuation report has been prepared, and our opinions have been given in accordance with accepted actuarial practice.

WATSON WYATT & COMPANY

L.N. Taylor.

Leslie N. Taylor, F.I.A., F.C.I.A.
Fellow, Canadian Institute of Actuaries

Nancy A. Yake

Nancy A. Yake, F.S.A., F.C.I.A.
Fellow, Canadian Institute of Actuaries

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Board of Directors of the Workers' Compensation Board – Alberta

I have audited the balance sheet of the Workers' Compensation Board – Alberta as at December 31, 2002, and the statement of operations, statements of reserve and fund balance, and statement of cash flows for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2002, and the results of its operations, movements in reserve and fund balance, and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn

FCA
Auditor General

Edmonton, Alberta
March 19, 2003

THE WORKERS' COMPENSATION BOARD – ALBERTA
BALANCE SHEET

AS AT DECEMBER 31, 2002
(thousands of dollars)

	2002	2001
ASSETS		
Cash	$ 153,541	$ 191,210
Receivables (Note 3)	59,972	49,488
Investments (Note 4)	3,807,164	3,918,459
Property, plant and equipment (Note 6)	64,127	63,993
	$ 4,084,804	$ 4,223,150
LIABILITIES		
Payables and accruals (Note 7)	$ 72,813	$ 60,072
Deferred revenue (Note 8)	103,698	221,951
Claim benefit liabilities (Note 9)	3,519,300	3,492,700
	3,695,811	3,774,723
RESERVES AND FUND BALANCE		
Occupational disease reserve	221,800	226,500
Fund balance	167,193	221,927
	$ 4,084,804	$ 4,223,150

Commitments (Note 18)

The accompanying notes and schedules are an integral part of these financial statements.

Approved by the Board of Directors:

RICK LELACHEUR
CHAIR, BOARD OF DIRECTORS

GUY R. KERR
PRESIDENT & CHIEF EXECUTIVE OFFICER

THE WORKERS' COMPENSATION BOARD – ALBERTA
STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2002
(thousands of dollars)

	2002 Budget	2002 Actual	2001 Actual
REVENUE			
Premiums	$ 704,500	$ 680,360	$ 508,640
Investment (Note 11)	260,000	197,539	330,382
Other (Note 12)	5,500	3,250	839
	970,000	881,149	839,861
EXPENDITURE			
Claim costs (Note 9)	848,400	862,584	916,123
Administration (Note 14)	64,000	60,687	57,785
Injury reduction (Note 16)	11,300	11,684	10,699
Appeals Commission (Note 17)	6,300	5,628	5,065
	930,000	940,583	989,672
OPERATING SURPLUS (DEFICIT)	$ 40,000	$ (59,434)	$ (149,811)

THE WORKERS' COMPENSATION BOARD – ALBERTA
STATEMENT OF RESERVE AND FUND BALANCE

FOR THE YEAR ENDED DECEMBER 31, 2002
(thousands of dollars)

	2002	2001
OCCUPATIONAL DISEASE RESERVE		
Balance at beginning of year	$ 226,500	$ 221,500
Transfer from (to) Fund Balance	(4,700)	5,000
BALANCE AT END OF YEAR	$ 221,800	$ 226,500
FUND BALANCE		
Balance at beginning of year	$ 221,927	$ 376,738
Operating (Deficit)	(59,434)	(149,811)
Transfers from (to) Reserve, net	4,700	(5,000)
BALANCE AT END OF YEAR	$ 167,193	$ 221,927

The accompanying notes and schedules are an integral part of these financial statements.

THE WORKERS' COMPENSATION BOARD – ALBERTA
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2002
(thousands of dollars)

	2002		2001
	Budget	Actual	Actual
CASH FLOW FROM (USED FOR) OPERATING ACTIVITIES			
Cash received from:			
Employers	$ 710,500	$ 686,587	$ 510,590
Dividends and interest	98,600	129,909	144,662
Other income	7,500	1,954	4,062
	816,600	818,450	659,314
Cash paid to:			
Claimants, or third parties on claimants' behalf	711,400	755,647	570,839
Employees and suppliers, for administrative and other goods and services	139,800	137,579	128,433
Injury reduction	11,300	10,110	10,956
	862,500	903,336	710,228
Net cash used for operating activities	(45,900)	(84,886)	(50,914)
CASH FLOW FROM (USED FOR) INVESTING ACTIVITIES			
Cash received from:			
Sale and maturity of investments	500,000	476,827	645,307
Cash paid for:			
Purchase of investments	499,100	416,155	455,984
Purchase of property, plant and equipment, net	15,000	13,455	27,622
	514,100	429,610	483,606
Net cash provided from (used for) investing activities	(14,100)	47,217	161,701
NET INCREASE (DECREASE) IN CASH	(60,000)	(37,669)	110,787
Cash at beginning of year	150,000	191,210	80,423
CASH AT END OF YEAR	$ 90,000	$ 153,541	$ 191,210

The accompanying notes and schedules are an integral part of these financial statements.

THE WORKERS' COMPENSATION BOARD – ALBERTA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2002
(thousands of dollars)

1. GENERAL

Legislative Authority

The Workers' Compensation Board (WCB) operates under the authority of the *Workers' Compensation Act*, Revised Statutes of Alberta 2000, Chapter W-15.

Vision and Mission

The Vision of the WCB is "Albertans working – a safe, healthy and strong Alberta".

The Mission of the WCB is "The WCB – Alberta, working together with our partners, will significantly and measurably reduce the impact of workplace illness and injury on Albertans".

Funding Policy

Consistent with Section 91 of the *Workers' Compensation Act*, the Board of Directors established a funding policy to ensure for the benefit of its stakeholders, the WCB remains financially stable and secure into the future. An Occupational Disease Reserve was created to provide for the costs that may arise from latent occupational diseases where a causal link to the workplace has not yet been established but may be established in the future. The funding policy also stipulates a Fund Balance to recognize the degree of uncertainty in the business of workers' compensation.

Claim Benefit Liabilities

Claim benefit liabilities are independently reviewed by an external actuary as at December 31, 2002, and represent the actuarial present value of all future benefit payments expected to be made for claims, which have occurred in respect of current and prior years' injuries.

These benefits are expressed in constant dollars discounted at 4.0% per annum, being the difference between expected investment earnings and expected increases in benefit payments, except for non-wage related temporary disability payments, which are discounted at 3.5%, rehabilitation and claim administration costs which are discounted at 2.5%. Health care costs are ultimately discounted at 0.5% to reflect expected higher increases in health care costs and utilization.

The claim benefit liabilities include provision for all benefits provided by current legislation, policies and administrative practices. No provision has been made for claims related to known latent occupational diseases where the claim has not yet been reported and the year of disablement would be in a subsequent period.

The actuarial liabilities of the WCB are of a long-term nature and therefore the actuarial assumptions and methods used to calculate the reported actuarial liabilities at December 31, 2002 are based on considerations of future expenditures over the long term. It is reasonably possible that changes in future conditions within one year of the financial statement date could require a change in the recognized amounts.

2. SIGNIFICANT ACCOUNTING POLICIES

General

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

Cash

Cash and cash equivalents are funds consisting of cash and money market instruments with maturities up to three months.

Cash and short-term investments held in the investment portfolio for trading purposes are excluded from cash and cash equivalents reported on the balance sheet.

Investments

Fixed-term investments are stated at amortized cost. Gains and losses realized on disposal of fixed-term investments are deferred and amortized to income on the straight-line basis over a period that approximates the average remaining term to maturity of the fixed-term investments sold. Equity and real estate investments are stated at moving average market value. Gains and losses realized on disposal of equity and real estate investments together with unrealized gains and losses occurring during the year, are deferred and amortized to income on the straight-line basis over five years.

Derivative Financial Instruments

Derivative financial instruments are financial contracts whose price is dependent on the price of one or more underlying securities, reference rates or indices. Derivative financial instruments include interest rate swaps, equity and bond index swaps, forward foreign exchange contracts, and cross-currency interest rate swaps. The notional amounts of derivative contracts are not recognized in the financial statements. The value of the derivative contracts is included in the fair value of the equity and fixed-term investments.

Interest rate swaps are transactions in which two parties exchange interest rates on a specified notional amount for a predetermined period. Interest income is recognized in the year.

Equity and bond index swaps are agreements to exchange cash flows based on the return of a specified equity or bond index. Equity index income is recognized as a realized gain or loss and is deferred and amortized to income on the straight-line basis over five years. Bond index income is recognized in the year.

Forward foreign exchange contracts represent commitments to exchange two currencies at a specified future date based on a rate agreed to by both parties at the inception of the contract. Foreign exchange gains and losses related to investments transactions are deferred and amortized to income on the straight-line basis over five years.

Cross-currency interest rate swaps exchange fixed for floating interest rates, or one fixed currency for another fixed currency interest rate, and exchange the foreign currency for Canadian currency. Interest income is recognized in the year.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Fair Value

The carrying value of cash, receivables and payables and accruals approximate their fair value due to the relatively short periods to maturity of the instruments. The fair value of publicly traded investments is based on quoted market prices. The fair value of privately held fixed-term investments is based on the net present value of future cash flows which are discounted using Government of Canada bond rates adjusted for a risk premium estimated by external fund managers. The fair value of real estate is based on independent appraisals net of any liabilities against the real properties.

The fair value of derivative financial instruments is based on the estimated amounts receivable or payable from the derivative financial instruments at the reporting date and is determined by the following methods:

a) Interest rate swaps are valued based on discounted cash flows using current market yields.

b) Forward foreign exchange contracts are valued based on quoted market prices.

c) Equity and bond index swaps are valued based on changes in the relevant market indices net of accrued floating rate interest.

d) The value of cross-currency interest rate swaps is included with the value of the underlying security. Cross-currency fixed-to-fixed interest rate swaps are valued at quoted market prices based on discounting future cash flows using current market yields. Cross-currency fixed-to-floating interest rate swaps are valued at the principal amounts plus accrued interest.

Foreign Currency Translation

Assets and liabilities denominated in foreign currency are translated into Canadian dollars at the exchange rate in effect at the balance sheet date. Foreign currency transactions are translated into Canadian dollars using the average rate of exchange. Foreign currency gains and losses related to investment transactions are deferred and amortized to income on the straight-line basis over five years.

Use of Accounting Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires the WCB's management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting periods presented. Actual results could differ from the estimates made by management and these differences could be significant. Claim benefit liabilities, reserve for occupational disease and accrued premiums are the most significant items which reflect estimates in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Property, Plant and Equipment

Property, plant and equipment are reported at cost and are amortized over their estimated useful lives. Amortization is provided using the following methods and annual rates:

Buildings		2.5% straight-line
Equipment	• computer	35% declining balance
	• furniture and other	15% declining balance
	• vehicles	20% straight-line
Computer software		20% straight-line

3. RECEIVABLES (thousands of dollars)

	2002	2001
Premiums	$ 37,124	$ 22,227
Accrued Premiums	18,190	23,219
Other	4,658	4,042
	$ 59,972	$ 49,488

4. INVESTMENTS (thousands of dollars)

	2002		2001	
	Book Value	Fair Value	Book Value	Fair Value
Cash	$ 12,160	$ 12,217	$ 18,714	$ 18,892
Fixed-Term:				
Short-Term	36,490	37,590	47,420	49,236
Long-Term	1,431,687	1,526,270	1,490,481	1,543,944
	1,468,177	1,563,860	1,537,901	1,593,180
Real estate	126,223	129,820	124,607	129,811
Equities:				
Domestic	762,866	727,999	821,640	834,289
Foreign	1,437,738	1,216,364	1,415,597	1,372,386
	2,200,604	1,944,363	2,237,237	2,206,675
	$ 3,807,164	$ 3,650,260	$ 3,918,459	$ 3,948,558

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT ACTIVITIES

(thousands of dollars)

Derivative Financial Instruments

	2002		2001	
	Notional Principal	**Fair Value**	Notional Principal	Fair Value
Interest rate swaps	$ 67,002	$ (3,119)	$ 57,036	$ (2,773)
Forward foreign exchange contracts	65,159	6	77,490	156
Equity index swaps	129,426	1,712	143,426	8,340
Bond index swaps	23,226	201	36,947	18
	284,813	(1,200)	314,899	5,741
Par value of cross-currency interest rate swaps	90,085	-	149,498	–
	$ 374,898	$ (1,200)	$ 464,397	$ 5,741

As at December 31, 2002, the fair value of the cross-currency interest rate swaps and the underlying bonds is $89,913 ($150,688 in 2001).

	Remaining Term to Maturity					
Notional Principal	**Within 1 Year**	**Over 1 to 3 Years**	**Over 3 to 5 Years**	**Over 5 Years**	**Total 2002**	Total 2001
Interest rate swaps	$ 31,129	$ 34,983	$ 890	$ –	$ 67,002	$ 57,036
Forward foreign exchange contracts	65,159	–	–	–	65,159	77,490
Equity index swaps	112,415	17,011	–	–	129,426	143,426
Bond index swaps	23,226	–	–	–	23,226	36,947
Cross-currency interest rate swaps	13,395	11,920	19,794	44,976	90,085	149,498
	$ 245,324	$ 63,914	$ 20,684	$ 44,976	$ 374,898	$ 464,397

Notional principal amounts in swaps and foreign exchange contracts are the contractual amounts on which payments are made. They are not indicative of the credit exposure with derivative products. If the counterparty to the derivative fails to discharge their obligation, then the fair value is the credit exposure of the WCB.

Credit Risk Management

Credit exposure on financial instruments arises from the possibility that a counterparty to an instrument fails to perform. Counterparties for derivative contracts will have at least an AA credit rating. The issuer for fixed-term investments will have at least a BBB credit rating. Specific rules have been established to ensure the credit rating of a counterparty does not fall

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT ACTIVITIES *(continued)*

Credit Risk Management *(continued)*

below a threshold deemed acceptable by the WCB. The WCB does not anticipate that any counterparties will fail to meet their obligations.

The WCB invests in publicly and privately traded shares and bonds available on domestic and foreign exchanges. These shares and bonds are affected by market changes and fluctuations. The WCB does not use derivative financial instruments to alter the effects of these market changes and fluctuations.

The WCB may lend any of its investments to third parties provided the loans are secured by cash or readily marketable securities having a fair value of 105% of the loan. As of December 31, 2002 secured loans amounted to $163,635 ($333,481 in 2001).

Foreign Exchange Risk Management

The WCB has certain obligations and investments denominated in foreign currencies. The WCB does not undertake long-term hedging strategies for the currency risk of foreign investments. The WCB undertakes long-term investment strategies; however, currency fluctuations may affect short-term returns. These fluctuations are not expected to affect the long-term position of the investment portfolio. As of December 31, 2002 forward foreign exchange contracts amounted to $65,159 ($77,490 in 2001).

Interest Risk Management

Fluctuations in interest rates are managed by actively managing the duration of the fixed term portfolio. The WCB also enters into various types of interest rate contracts in managing interest rate risk. The table below represents the remaining term to maturity of the WCB's outstanding fixed term investments.

	Remaining Term to Maturity				
Fair Value	**Within 1 Year**	**Over 1 Year To 5 Years**	**Over 5 Years**	**Total 2002**	Total 2001
Fixed Term Investments	$ 37,590	$ 432,958	$ 1,093,312	$ 1,563,860	$ 1,593,180

The fixed-term investments include bonds, debentures, and other interest bearing instruments. The average effective yield of these fixed-term investments, excluding the investment in real return bonds, is 4.95% (5.33% in 2001) per annum based on fair value.

6. PROPERTY, PLANT AND EQUIPMENT (thousands of dollars)

	2002			2001
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 1,092	$ 0	$ 1,092	$ 1,119
Buildings	37,529	(11,126)	26,403	24,470
Equipment	7,894	(5,738)	2,156	3,453
Computer software	89,377	(54,901)	34,476	34,951
	$ 135,892	$ (71,765)	$ 64,127	$ 63,993

The net carrying amount of property, plant and equipment not being amortized, because it is under construction or development is $9,596.

7. PAYABLES AND ACCRUALS (thousands of dollars)

	2002	2001
Accrued staff benefits	$ 17,626	$ 16,221
Partners In Injury Reduction	40,842	24,747
Other	14,345	19,104
	$ 72,813	$ 60,072

8. DEFERRED REVENUE (thousands of dollars)

	Deferred Realized Gains (Losses)			
	2002			2001
	Fixed-Term	Equities	Total	Total
2002	$ 0	$ 0	$ 0	$ 103,335
2003	17,971	32,653	50,624	58,538
2004	17,997	(8,687)	9,310	17,534
2005	17,086	(17,799)	(713)	5,351
2006	13,985	(4,427)	9,558	12,033
2007 - 2011	34,919	-	34,919	25,160
	$ 101,958	$ 1,740	$ 103,698	$ 221,951

9. CLAIM BENEFIT LIABILITIES (thousands of dollars)

	2002							2001
	Short Term Disability	Long Term Disability	Survivor Benefits	Health Care	Rehab-ilitation	Claim Admin-istration	Total	Total
BALANCE, BEGINNING OF YEAR	$ 547,800	$ 1,507,800	$ 434,800	$ 713,000	$ 132,600	$ 156,700	$ 3,492,700	$ 3,226,400
Add:								
Claim costs incurred:								
Current year injuries	200,954	123,122	18,796	173,371	34,029	62,460	612,732	591,656
Prior years' injuries	95,045	111,186	16,179	30,579	2	(3,139)	249,852	324,467
	295,999	234,308	34,975	203,950	34,031	59,321	862,584	916,123
	843,799	1,742,108	469,775	916,950	166,631	216,021	4,355,284	4,142,523
Deduct:								
Claim payments made:								
Current year injuries	78,854	805	886	57,971	2,029	15,560	156,105	148,352
Prior years' injuries	148,645	308,503	37,689	107,179	32,402	45,461	679,879	501,471
	227,499	309,308	38,575	165,150	34,431	61,021	835,984	649,823
BALANCE, END OF YEAR	$ 616,300	$ 1,432,800	$ 431,200	$ 751,800	$ 132,200	$ 155,000	$ 3,519,300	$ 3,492,700

The following is a reconciliation of the claim benefit liabilities:

	2002	2001
Balance at beginning of year	$ 3,492,700	$ 3,226,400
Add:		
Provision for current year injuries	456,627	443,304
Interest allocated	227,500	210,900
Claim cost experience higher than expected	80,185	174,818
Revision to actuarial methodology	10,200	(29,400)
	4,267,212	4,026,022
Deduct:		
Payments, for prior years' injuries, excluding self-insured employers	669,512	493,722
Procedure change re: pension commutation	48,300	13,200
Difference between actual and expected long-term cost of living adjustments	30,100	26,400
	747,912	533,322
Balance at end of year	$ 3,519,300	$ 3,492,700

10. PROVINCIAL PENSION PLANS (thousands of dollars)

The WCB participates in multi-employer pension plans: Management Employees Pension Plan and Public Service Pension Plan. The expense for these pension plans is equivalent to the annual contributions of $4,061 for the year ended December 31, 2002 ($3,891 in 2001).

11. INVESTMENT REVENUE (thousands of dollars)

	2002	2001
Dividends and interest		
Fixed-term	$ **100,792**	$ 107,423
Equity	**23,190**	31,427
Real Estate	**6,844**	6,731
	130,826	145,581
Add:		
Amortized realized gains-equities	**77,124**	127,584
Amortized realized gains-fixed-term	**20,456**	19,048
Amortized unrealized gains/(losses)-equities	**(29,950)**	39,088
	67,630	185,720
	198,456	331,301
Deduct:		
Investment related administration expenditures	**917**	919
	$ **197,539**	$ 330,382

12. OTHER REVENUE (thousands of dollars)

	2002	2001
Millard Health Building/Land Disposal	$ **2,852**	$ 0
Other	**334**	60
Millard Health (Note 13)	**64**	779
	$ **3,250**	$ 839

13. MILLARD HEALTH (thousands of dollars)

	2002	2001
Revenue		
Charged to health care claim costs	$ **19,316**	$ 17,359
Non-WCB treatment services	**1,620**	1,973
	20,936	19,332
Expenditures		
Salaries and employee benefits	**14,991**	13,164
Office and communications	**2,485**	2,477
Consulting fees	**1,468**	1,461
Building operations	**1,046**	903
Amortization of property, plant and equipment	**560**	94
Travel and vehicle operation	**322**	454
	20,872	18,553
Operating Surplus	$ **64**	$ 779

14. ADMINISTRATION EXPENDITURES (thousands of dollars)

	Customer Services	Corporate Services	2002	2001
Salaries and employee benefits (Schedule A)	$ 63,983	$ 18,375	$ 82,358	$ 81,995
Office and communications	20,498	782	21,280	21,327
Amortization of property, plant and equipment	8,689	3,437	12,126	11,158
Building operations	2,472	2,002	4,474	3,128
Consulting fees	993	2,287	3,280	3,499
Travel and vehicle operation	762	359	1,121	1,114
Other	14	129	143	138
	$ 97,411	$ 27,371	124,782	122,359
Deduct:				
Claim administration costs			61,021	61,625
Charged to investment revenue			917	919
Recovery of costs			2,157	2,030
			$ 60,687	$ 57,785

Customer Services relates to all activities associated with Risk and Disability Management. Corporate Services relates to all activities associated with Human Resources, Legal Services, Finance, Corporate Communications and Administrative Services.

15. SELF-INSURED EMPLOYERS (thousands of dollars)

These financial statements include the effects of transactions carried out for self-insured employers who directly bear the cost of their workers' claims and an appropriate share of administration expenditures. Currently, the Federal Government is the only self-insurer. This is a contractual relationship in accordance with the Government Employees Compensation Act. Certain government related entities and railways are responsible for the cost of injuries to their workers which occurred when they were self-insured in prior years. Aggregate amounts of such premiums and offsetting expenditures are contained in the Statement of Operations as follows:

	2002	2001
Premium revenue	$ 11,384	$ 8,726
Claim costs incurred:		
Short term disability	$ 1,797	$ 1,893
Long term disability	5,213	2,910
Survivor benefits	741	693
Health care	2,247	1,946
Rehabilitation	161	204
	10,159	7,646
Administration expenditures	1,225	1,080
	$ 11,384	$ 8,726

16. INJURY REDUCTION (thousands of dollars)

		2002		2001
Occupational Health & Safety	$	**6,300**	$	6,000
Safety Associations		**5,384**		4,699
	$	**11,684**	$	10,699

The WCB has a statutory obligation to reimburse the Alberta Minister of Finance a portion of the costs associated with occupational health and safety.

Funding is provided to industry sponsored safety associations for the purpose of improving the workplace.

17. APPEALS COMMISSION

The Appeals Commission operates and is administered by the Ministry of Human Resources and Employment. In accordance with Section 12 of the Workers' Compensation Act, the operating costs of the Appeals Commission are funded by the WCB from the Accident Fund. Effective September 1, 2002 this funding is provided to the Appeals Commission through quarterly payments to the Ministry of Human Resources and Employment.

18. COMMITMENTS (thousands of dollars)

A number of operating leases exist for computer equipment and office space. The following is a schedule of future lease payments to be charged to administration expenditures:

2003	$	8,105
2004		2,784
2005		1,014
2006		235
Beyond		3,591
	$	15,729

19. LONG STANDING CONTENTIOUS CLAIMS

The Minister of Human Resources and Employment (HRE) initiated in 1999/2000 two Review Committees to review the Workers' Compensation System with the intended purpose being to recommend any policy, legislative and regulatory changes to improve service delivery and accountability. One of the recommendations was to establish a one time, independent tribunal, with the authority to review long standing contentious claims. These financial statements do not contain any allowance for contingent liabilities in respect to any resulting costs arising from this recommendation, as the amounts are not presently determinable.

20. BUDGET

The Board of Directors approved the budget in October, 2001. The budget is presented for comparison with the 2002 actual figures.

21. COMPARATIVE FIGURES

The 2001 figures are reclassified where necessary to conform to 2002 presentation.

THE WORKERS' COMPENSATION BOARD – ALBERTA

SALARIES AND BENEFITS

December 31, 2002

Schedule A

	2002					2001	
	Number of Individuals	Salary (1)	Benefits (2)(3)	Other	Total	Number of Individuals	Total
Chairman, Board of Directors (4)	1	$ 66,062	$ 1,103	$ -	$ 67,165	1	$ 60,224
Board Members (4)	9	165,342	6,180	-	171,522	9	200,811
	10	231,404	7,283	-	238,687	10	261,035
President and Chief Executive Officer	1	283,961 (5)	41,813 (6)		325,774	1	376,382
Vice President, Customer Service & Disability Management	1	172,135	24,280	-	196,415	1	251,050
Vice President, Customer Service & Risk Management	1	182,813	27,152	-	209,965	1	214,857
Vice President, Business Development & I.M.	1	182,813	26,012	-	208,825	1	232,260
Vice President, Employee & Corporate Services	1	170,625	26,297		196,922	1	164,087 (7)
Chief Financial Officer	1	182,813	25,480		208,293	1	251,113
Secretary & General Counsel	1	176,719	28,440	-	205,159	1	206,319
	7	1,351,879	199,474	-	1,551,353	7	1,696,068
Full-Time Staff: ($54,329 in 2002; $56,597 in 2001)	1,617	75,666,151	12,184,116		87,850,267	1,527	86,424,114
Termination Benefits	-	-	-	1,890,569 (8)	1,890,569	-	2,589,337
Long-Term Disability		-		3,856,070 (9)	3,856,070		2,308,566
Other Staff Related Expenses				1,961,943 (10)	1,961,943		1,879,872
Less: Salaries & Benefits for Millard Health		(12,757,046)	(2,234,153)	-	(14,991,199)		(13,163,556)
Administration – Salaries & Benefits (11)		$ 64,492,388	$ 10,156,720	$ 7,708,582	$ 82,357,690		$ 81,995,436

(1) Salary includes regular base pay, special incentive pay, overtime, performance awards, vacation pay, honoraria and contractors' fees.

(2) Employer's share of employee benefits and contributions or payments made to or on behalf of employees. It is comprised of Canada Pension Plan, Employment Insurance, Public Service and Management pension plans contributions, medical benefits, group life insurance, disability plans, employee and family assistance plan, professional memberships and tuition, long service, and vacation payout.

(3) No amount is included in benefits and allowances for; car allowances, car insurance, or the value of parking and interest-free loans.

(4) The Chairman of the Board of Directors and Board Members are part time positions.

Schedule A (continued)

(5) The past President and Chief Executive Officer resigned effective February 28, 2002,and the interim President and Chief Executive Officer was appointed from March 1 to June 30, 2002. The current President and Chief Executive Officer was appointed July 2, 2002, at an annual base salary of $200,000. The combined base salary for 2002 was $222,711 and measured variable pay for performance of $61,250.

(6) The past President and Chief Executive Officer did not participate in the Public Service Benefit Plan. The Board of Directors had provided the past President and CEO with an amount in lieu of pension paid directly.

(7) The appointment to the position was effective April 2001; therefore the salary and benefits for 2001 are for a nine-month period.

(8) Termination benefits include retiring allowances, accrued sick leave and other settlement costs due to loss of employment. Included in the termination benefits is $392,800 paid to the past President and Chief Executive Officer.

(9) The adjustment to the liability for long-term disability claims reflects changes to the actuarial present value of all future payments expected to be made for claims, which have occurred in current and prior years.

(10) Other staff related expenses include recruitment costs, seminars, conventions and conferences, staff and association luncheons and meetings, in-house training programs, retirees' benefits and relocation costs.

(11) Excluded from this total is the Appeals Commission as it is a separate legal entity. See Schedule A-1 for details.

APPEALS COMMISSION
SALARIES AND BENEFITS
December 31, 2002

Schedule A-1

	2002					2001	
	Number of Individuals	Salary [1]	Benefits [2][3]	Other	Total	Number of Individuals	Total
Chief Appeals Commissioner	1	$ 86,422	$ 13,727	$ -	$ 100,149	1	$ 142,424
Full Time Commissioners	13	718,021	129,429	-	847,450	11	1,056,653
Temporary Appeals Commissioners	22	419,898	13,497	-	433,395	25	637,520
	36	1,224,341	156,653	-	1,380,994	37	1,836,597
Other Full Time Staff ($32,984 in 2002; $50,328 in 2001)	44	1,223,351	227,962	-	1,451,313	41	2,063,463
Termination Benefits	-	-	-	-	-	-	-
Long-Term Disability	-	-	-	-	-	-	-
Other Staff Related Expenses	-	-	-	65,342	65,342 [4]	-	36,876
TOTAL		$ 2,447,692	$ 384,615	$ 65,342	$ 2,897,649		$ 3,936,936

The Appeals Commission is a separate legal entity funded by the accident fund but administered separately from the Workers' Compensation Board. Effective September 1, 2002, the reporting relationship of the Appeals Commission changed such that it is now a separate government reporting entity under the Minister of Human Resources and Employment. Accordingly, the salaries and benefits for 2002 are for an eight-month period.

[1] Salary includes regular base pay, special incentive pay, overtime, performance awards, vacation pay, honoraria and contractor's fees.

[2] Employer's share of employee benefits and contributions or payments made to or on behalf of employees. It is comprised of Canada Pension Plan, Employment Insurance, Public Service and Management pension plans contributions, medical benefits, group life insurance, disability plans, employee and family assistance plan, professional memberships and tuition, long service, and vacation payout.

[3] No amount included in benefits and allowances for; car allowances, car insurance, or the value of parking and interest-free loans.

[4] Other staff related expenses include recruitment costs, seminars, conventions and conferences, staff and association luncheons and meetings, in-house training programs, retirees' benefits and relocation costs.

Appendices

Appendix A

Ministry Acts

Agrologist Act

- Bylaws of the Alberta Institute of Agrologists (AR 376/67)

Architects Act

- Code of Ethics (AR 240/81)
- Education and Training Regulation (AR 241/81)
- Interior Design Regulation (AR 174/83)
- Practice Review Regulation (AR 175/83)
- Professional Practice Regulation (AR 242/81)

Assured Income for the Severely Handicapped Act

- Assured Income for the Severely Handicapped Regulation (AR 203/99)
- Facilities, Institutions, Health Benefits Regulation (AR 209/99)

Blind Workers' Compensation Act

- No regulations

Burial of the Dead Act

- No regulations

Consulting Engineers of Alberta Act

- General Regulation (AR 275/98)

Employment Standards Code

- Employment Standards Regulation (AR 14/97)

Engineering, Geological and Geophysical Professions Act

- General Regulation (AR 150/99)
- Registered Professional Technologist (Geological) and Registered Professional Technologist (Geophysical) Regulation (AR 36/03)

Government Organization Act

- Designation and Transfer of Responsibility Regulation
- Department of Labour Grant Regulation (AR 253/75)
- Grants, Donations and Loans Regulation (AR 315/83)
- Radiation Health Administration Regulation (AR 49/96)

Income and Employment Supports Act

- Regulations being developed
  (This Act was given Royal Assent on May 16, 2003 and will come into force on Proclamation - on Proclamation the following Acts will be repealed. The *Income Support Recovery Act*; the *Social Development Act*; the *Student and Temporary Employment Act*; and the *Widows' Pension Act*. The *Widows' Pension Act* will be repealed 2 years after section 59(2) of the *Income and Employment Supports Act* comes into force.)

Income Support Recovery Act

- No regulations

Labour Relations Code

- Construction Industry Jurisdictional Assignment Plan Regulation (AR 2/2000)
- Construction Industry Transitional Regulation (AR 342/88)
- Regional Health Authority collective Bargaining Regulation (AR 80/2003)

Land Agents Licensing Act

- Land Agents Licensing Regulation (AR 227/2001)

Land Surveyors Act

- Code of Ethics (*Land Surveyors Act*) Regulation (AR 324/82)
- Discipline Regulation (AR 325/82)
- Examination and Training Regulation (AR 326/82)
- Professional Practice Regulation (AR 327/82)

Managerial Exclusion Act

- No regulations

MLA Compensation Act

- No regulations

Occupational Health and Safety Act

- Chemical Hazards Regulation (AR 393/88)
- Designated Work Sites (AR 91/78)
- Designated Work Sites (AR 306/77)
- Designation of Joint Worksite Health and Safety Committees (AR 281/77)
- Explosives Safety Regulation (AR 272/76)
- Farming and Ranching Exemption Regulation (AR 27/95)
- First Aid Regulation (AR 48/2000)
- General Safety Regulation (AR 448/83)
- Joint Work Site Health and Safety Committee Regulations (AR 197/77)
- Mines Safety Regulation (AR 292/95)
- Noise Regulation (AR 314/81)
- Ventilation Regulation (AR 326/84)

Parentage and Maintenance Act

- Parentage and Maintenance Regulation (AR 251/98)

Police Officers Collective Bargaining Act

- No regulations

Professional and Occupational Associations Registration Act

- Alberta Community Planner Regulation (AR 240/89)
- Alberta Institute of Purchasing Management Regulation (AR 131/89)
- Alberta Shorthand Reporters Regulation (AR 197/96)
- Certified Management Consultants Regulation (AR 61/91)
- Human Ecologist and Home Economist Regulation (AR 119/2002)
- Information Systems Professional Regulation (AR 39/97)
- Local Government Managers Regulation (AR 62/91)
- Municipal Assessor Regulation (AR 84/94)
- Professional Biologists Regulation (AR 120/2002)
- Professional Chemists Regulation (AR 248/2001)
- Professional Electrical Contractors Regulation (AR 148/93)
- School Business Officials Regulation (AR 149/93)

Pubic Service Act

- No regulations

Public Service Employee Relations Act

- No regulations

Radiation Protection Act

- Radiation Protection Regulation (AR 162/90)

Regulated Accounting Profession Act

- Certified General Accountants Regulation (AR 176/2001)
- Certified Management Accountants (AR 177/2001)
- Chartered Accountants Regulation (AR 178/2001)

Regulated Forestry Profession Act

- Expenses and Review Fees Regulation (AR 77/2002)
- Registered Professional Forest Technologists Regulation (AR 76/2002)
- Registered Professional Foresters Regulation (AR 75/2002)

Social Development Act

- Social Allowance Regulation (AR 213/93)

Special Payment Act

- No regulations

Student and Temporary Employment Act

- Student and Temporary Employment Regulation (AR 52/99)

Veterinary Profession Act

- Exemption Regulation (AR 43/86)
- General Regulation (AR 44/86)

Widows' Pension Act

- Widows' Pension Regulation (AR 166/83)

Workers' Compensation Act

- Workers' Compensation Regulation (AR 325/2002)

Appendix B

Ministry Office Locations

DEPARTMENT OF ALBERTA HUMAN RESOURCES AND EMPLOYMENT OFFICES

ATHABASCA

Service Centre
300, Duniece Centre
4810 – 50 Street
Athabasca AB T9S 1C9
Phone: (780) 675-2243

BARRHEAD

District Office
PO Box 4517, Provincial Building
6203 – 49 Street
Barrhead AB T7N 1A4
Phone: (780) 674-8345

BONNYVILLE

Service Centre
Box 8115, New Park Place
5201 – 44 Street
Bonnyville AB T9N 2J4
Phone: (780) 826-4175

BOW CORRIDOR

District Office
301, Provincial Building
800 Railway Avenue
Canmore AB T1W 1P1
Phone: (403) 678-2363

BROOKS

District Office
PO Box 310
303 – 8 Street East
Brooks AB T1R 1B4
Phone: (403) 362-1278

CALGARY

EAST

Alberta Service Centre
Main Floor, 525 – 28 Street SE
Calgary AB T2A 6W9
Phone: (403) 297-1907

Canada/Alberta Service Centre
1502 Marlborough Mall
515 Marlborough Way NE
Calgary AB T2A 7E7
Phone: (403) 297-7570

NORTH

District Office
2nd Floor
1240 Kensington Road NW
Calgary AB T2N 3P7
Phone: (403) 297-7200

Canada/Alberta Service Centre
One Executive Place
1816 Crowchild Trail NW
Calgary AB T2M 3Y7
Phone: (403) 297-3951

SOUTH/CENTRAL

Alberta Service Centre
Main Floor, RPW Building
1021 – 10 Avenue SW
Calgary AB T2R 0B7
Phone: (403) 297-2094

Labour Market Information Centre
5th Floor, Century Park Place
855 – 8 Avenue SW
Calgary AB T2P 3P1
Phone: (403) 297-6344

Canada/Alberta Service Centre
280, Harry Hays Building
220 – 4 Avenue SW
Calgary AB T2G 4X3
Phone: (403) 297-6344

Canada/Aiberta Service Centre
PO Box 5175, Station A
100, Fisher Park II
6712 Fisher Street SE
Calgary AB T2H 1X3
Phone: (403) 297-2020

Assured Income for the Severely Handicapped
500, 1520 – 4 Street SW
Calgary AB T2R 1H5
Phone: (403) 297-8511

Family Maintenance
704, John J. Bowlen Building
620 – 7 Avenue SW
Calgary AB T2P 0Y8
Phone: (403) 297-6060

Temporary Employment Programs
Spaeth Building
3805 – 29 Street NE
Calgary AB T1Y 6B5
Phone: (403) 297-7767

Office of the Public Guardian
9th Floor, Century Park Place
855 – 8 Avenue SW
Calgary AB T2P 3P1
Phone: (403) 297-3364

Employment Standards
Main Floor, Elveden Centre
717 – 7 Avenue SW
Calgary AB T2P 0Z5
Phone: (403) 297-4338

Workplace Health & Safety
600, Guinness House
Elveden Centre
727 – 7 Avenue SW
Calgary AB T2P 0Z5
Phone: 1 (866) 415-8690

CAMROSE

Canada/Alberta Service Centre
2nd Floor, 4901 – 50 Avenue
Camrose AB T4V 0S2
Phone: (780) 608-2525

CLARESHOLM

District Office
Box 1650, Provincial Building
109 – 46 Avenue West
Claresholm AB T0L 0T0
Phone: (403) 625-4457

COLD LAKE

District Office
PO Box 698
408, 6501B – 51 Street
Cold Lake AB T9M 1P2
Phone: (780) 594-1984

CROWSNEST PASS

District Office
PO Box 870
Provincial Building
12501 – 20 Avenue
Blairmore AB T0K 0E0
Phone: (403) 562-3285

DRAYTON VALLEY

Sub-Office
PO Box 7595
2nd Floor, Provincial Building
5136 – 51 Avenue
Drayton Valley AB T7A 1S7
Phone: (780) 542-3134

DRUMHELLER

Alberta Service Centre
Box 2079
180 Riverside Drive East
Drumheller AB T0J 0Y0
Phone: (403) 823-1616

EDMONTON

CITY CENTRE

Alberta Service Centre
4th Floor, 10242 – 105 Street
Edmonton AB T5J 3L5
Phone: (780) 415-4900

NORTH

Alberta Service Centre
200, 13415 Fort Road
Edmonton AB T5A 1C6
Phone: (780) 422-9440

Canada/Alberta Service Centre
Unit 2000, 9499-137 Avenue
Edmonton AB T5E 5R8
Phone: (780) 422-7398

SOUTH

Canada/Alberta Service Centre
6325 Gateway Boulevard NW
Edmonton AB T6H 5H6
Phone: (780) 438-8111

WEST

Office
200, Westcor Building
12323 Stony Plain Road
Edmonton AB T5N 4A9
Phone: (780) 415-6500

Canada/Alberta Service Centre
120 Meadowlark Shopping Centre
15710 – 87 Avenue
Edmonton AB T5R 5W9
Phone: (780) 415-8116

Family Maintenance
9th Floor, Centre West Building
10035 – 108 Street
Edmonton AB T5J 3E1
Phone: (780) 415-6400

Assured Income for the Severely Handicapped
500, Westcor Building
12323 Stony Plain Road
Edmonton AB T5N 4B4
Phone: (780) 415-6300

Office of the Public Guardian
4th Floor, 108 Street Building
9942 – 108 Street
Edmonton AB T5K 2J5
Phone: (780) 422-0017

Employment Standards Contact Centre
Main Floor, Sterling Place
9940 – 106 Street
Edmonton AB T5K 2N2
Phone: (780) 427-3731

Workplace Health & Safety Contact Centre
10th Floor, Seventh Street Plaza, South Tower
10030 – 107 Street
Edmonton AB T5J 3E4
Phone: (780) 415-8690

EDSON

Alberta Service Centre
100, Provincial Building
111 – 54 Street
Edson AB T7E 1T2
Phone: (780) 723-8317

Canada/Alberta Service Centre
102, Provincial Building
111 – 54 Street
Edson AB T7E 1T2
Phone: (780) 723-8317

Employment Standards
PO Box 6780
4904 – 4 Avenue
Edson AB T7E 1V2
Phone : (780) 723-8201

FORT MCMURRAY

Canada/Alberta Service Centre
1st Floor, Provincial Building
9915 Franklin Avenue
Fort McMurray AB T9H 2K4
Phone: (780) 743-7192

Employment Standards
714, Provincial Building
9915 Franklin Avenue
Fort McMurray AB T9H 2K4
Phone : (780) 743-7205

GRANDE CACHE

District Office
PO Box 240
702 Pine Plaza Mall
Grande Cache AB T0E 0Y0
Phone: (780) 827-3335

GRANDE PRAIRIE

Canada/Alberta Service Centre
100, Towne Centre Mall
9845 – 99 Avenue
Grande Prairie AB T8V 0R3
Phone: (780) 538-6241

Office of the Public Guardian
515, Nordic Court
10014 – 99 Street
Grande Prairie AB T8V 3N4
Phone: (780) 538-5575

Employment Standards
3101, Provincial Building
10320 – 99 Street
Grande Prairie AB T8V 6J4
Phone : (780) 538-5205

Workplace Health & Safety
3101, Provincial Building
10320 – 99 Street
Grande Prairie AB T8V 6J4
Phone : 1 (866) 415-8690

HIGH LEVEL

Alberta Service Centre
Mail Bag 1000
9806 – 98 Street
High Level AB T0H 1Z0
Phone: (780) 841-4315

HIGH PRAIRIE

Alberta Service Centre
PO Box 849
2nd Floor, Provincial Building
5226 – 53 Avenue
High Prairie AB T0G 1E0
Phone: (780) 523-6650

HINTON

Alberta Service Centre
568 Carmichael Lane
Hinton AB T7V 1S8
Phone: (780) 865-8273

LAC LA BICHE

Service Site
PO Box 420, Provincial Building
9503 Beaverhill Road
Lac La Biche AB T0A 2C0
Phone: (780) 623-5215

Office of the Public Guardian
PO Box 1410, Lakeview Building
15 Nipewan Road
Lac La Biche AB T0A 2C0
Phone: (780) 623-5323

LEDUC

District Office
4901 – 50 Avenue
Leduc AB T9E 6M1
Phone: (780) 980-0557

LETHBRIDGE

Canada/Alberta Service Centre
Mail Bag 3014, Provincial Building
200 – 5 Avenue South
Lethbridge AB T1J 4L1
Phone: (403) 381-2272

Office of the Public Guardian
500, Professional Building
740 – 4 Avenue
Lethbridge AB T1J 0N9
Phone: (403) 381-5648

Employment Standards
360, Provincial Building
200 – 5 Avenue S
Lethbridge AB T1J 4L1
Phone: (403) 381-5423

Workplace Health & Safety
360, Provincial Building
200 – 5 Avenue S
Lethbridge AB T1J 4L1
Phone: 1 (866) 415-8690

LLOYDMINSTER

Canada/Alberta Service Centre
5016 – 48 Street
Lloydminster AB T9V 0H8
Phone: (780) 871-6445

MCLENNAN

Office of the Public Guardian
PO Box 326
205 – 1 Street East
McLennan AB T0H 2L0
Phone: (780) 324-3239

MEDICINE HAT

Canada/Alberta Service Centre
2nd Floor, Provincial Building
346 – 3 Street SE
Medicine Hat AB T1A 0G7
Phone: (403) 529-3683

Office of the Public Guardian
2nd Floor, Provincial Building
346 – 3 Street SE
Medicine Hat AB T1A 0G7
Phone: (403) 528-5245

Employment Standards
103, Provincial Building
346 – 3 Street SE
Medicine Hat AB T1A 0G7
Phone: (403) 529-3522

Workplace Health & Safety
103, Provincial Building
346 – 3 Street SE
Medicine Hat AB T1A 0G7
Phone: 1 (866) 415-8690

OLDS

Alberta Service Centre
PO Box 3810
4905 – 50 Avenue
Olds AB T4H 1P5
Phone: (403) 556-4200

PEACE RIVER

District Office
Bag 900-15, Midwest Building
9715 – 100 Street
Peace River AB T8S 1T4
Phone: (780) 624-6135

Employment Standards
M[illegible] Floor, Provincial B[illegible]ing
9621 – 96 Avenue
Peace River AB T8S 1T4
Phone: (780) 624-6164

PINCHER CREEK

Career Development Centre
Box 2138, 160 Provincial Building
782 Main Street
Pincher Creek AB T0K 1W0
Phone: (403) 627-1125

RED DEER

Alberta Service Centre
109, Provincial Building
4920 – 51 Street
Red Deer AB T4N 6K8
Phone: (403) 340-5439

Canada/Alberta Service Centre
3rd Floor, First Red Deer Place
4911 – 51 Street
Red Deer AB T4N 6V4
Phone: (403) 340-5353

Office of the Public Guardian
203, Provincial Building
4920 – 51 Street
Red Deer AB T4N 6K8
Phone: (403) 340-5165

Employment Standards
2nd Floor, Provincial Building
4920 – 51 Street
Red Deer AB T4N 6K8
Phone: (403) 340-7121

Workplace Health & Safety
2nd Floor, Provincial Building
4920 – 51 Street
Red Deer AB T4N 6K8
Phone: 1 (866) 415-8690

ROCKY MOUNTAIN HOUSE
Alberta Service Centre
PO Box 1180
Main Floor, New Provincial Building
4919 – 51 Street
Rocky Mountain House AB
T4T 1A8
Phone: (403) 845-8590

SHERWOOD PARK
District Office
Strathcona Place
340 Sioux Road
Sherwood Park AB T8A 3X6
Phone: (780) 464-7000

SLAVE LAKE
Canada/Alberta Service Centre
PO Box 70
2nd Floor, Lakeland Centre
101 Main Street South
Slave Lake AB T0G 2A0
Phone: (780) 849-7290

SPRUCE GROVE
Parkland District Office
PO Box 1230
200 Wesgrove Professional Building
131 – 1 Avenue
Spruce Grove AB T7X 2Z8
Phone: (780) 962-8681

ST. ALBERT
District Office
Provincial Building
30 Sir Winston Churchill Avenue
St. Albert AB T8N 3A3
Phone: (780) 458-9400

ST. PAUL
Canada/Alberta Service Centre
PO Box 309
5126 – 50 Avenue
St. Paul AB T0A 3A0
Phone: (780) 645-6473

Office of the Public Guardian
PO Box 309, Provincial Building
5126 – 50 Avenue
St. Paul AB T0A 3A0
Phone: (780) 645-6473

Employment Standards
PO Box 403, Courier Box 14
Provincial Building
5126 – 50 Avenue
St. Paul AB T0A 3A0
Phone: (780) 645-6361

STETTLER
Alberta Service Centre
Postal Bag 600
4835 – 50 Street
Stettler AB T0C 2L0
Phone: (403) 742-7586

TABER
Sub-Office
Provincial Building
5011 – 49 Avenue
Taber AB T1G 1V9
Phone: (403) 223-7921

VEGREVILLE
Alberta Service Centre
24, Husky Plaza Mall
5341 – 50 Avenue
Vegreville AB T9C 1P8
Phone: (780) 632-5453

VERMILION
Alberta Service Centre
PO Box 25, Provincial Building
4701 – 52 Street
Vermilion AB T9X 1J9
Phone: (780) 853-8164

WAINWRIGHT
Alberta Service Centre
19, Provincial Building
810 – 14 Avenue
Wainwright AB T9W 1R2
Phone: (780) 842-7500

WESTLOCK
District Office
10211 – 100 Street
Westlock AB T7P 2G5
Phone: (780) 349-7700

WETASKIWIN
Alberta Service Centre
Macadil Building
5201 – 51 Avenue
Wetaskiwin AB T9A 0V5
Phone: (780) 361-1272

WHITECOURT
Service Delivery Site
Box 749
202 Midtown Mall
5115 – 49 Street
Whitecourt AB T7S 1N7
Phone: (780) 778-7149

PERSONNEL ADMINISTRATION OFFICE

6th Floor
Peace Hills Trust Tower
10011 – 109 Street
Edmonton AB T5J 3S8
Phone: (780) 408-8400

ALBERTA LABOUR RELATIONS BOARD

503, Labour Building
10808 – 99 Avenue
Edmonton AB T5K 0G5
Phone: (780) 427-8547

3rd Floor, Deerfoot Junction Tower 3
1212 – 31 Avenue NE
Calgary AB T2E 7S8
Phone: (403) 297-4334

WORKERS' COMPENSATION BOARD

PO Box 2415
9912 – 107 Street
Edmonton AB T5J 2S5
Phone: (780) 498-3999
Toll-free : 1 (866) 922-9221

300 – 6 Avenue SE
Calgary AB T2G 0G5
Phone: (403) 517-6000

Appendix C

ALPHABETICAL LIST OF ENTITIES' FINANCIAL INFORMATION IN MINISTRY2002/03 ANNUAL REPORTS

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	Ministry Annual Report
Agriculture Financial Services Corporation	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission, The	Finance
Alberta Heritage Foundation for Medical Research Endowment Fund	Revenue
Alberta Heritage Savings Trust Fund	Revenue
Alberta Heritage Scholarship Fund	Revenue
Alberta Heritage Science and Engineering Research Endowment Fund	Revenue
Alberta Historical Resources Foundation, The	Community Development
Alberta Insurance Council	Finance
Alberta Municipal Financing Corporation	Finance
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Revenue
Alberta School Foundation Fund	Learning
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Revenue
Alberta Social Housing Corporation	Seniors
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Finance
ATB Investment Services Inc.	Finance
Child and Family Services Authorities: Awasak Child and Family Services Authority Calgary Rocky View Child and Family Services Authority Child and Family Services Authority Region 13 Child and Family Services Authority Region 14 Diamond Willow Child and Family Services Authority Hearthstone Child and Family Services Authority Keystone Child and Family Services Authority Ma'Mowe Capital Region Child and Family Services Authority Métis Settlements Child and Family Services Authority Neegan Awas'sak Child and Family Services Authority Ribstone Child and Family Services Authority Sakaigun Asky Child and Family Services Authority Sakaw-Askiy Child and Family Services Authority Silver Birch Child and Family Services Authority Southeast Alberta Child and Family Services Authority	Children's Services

Ministry, Department, Fund or Agency	Ministry Annual Report
Child and Family Services Authorities (*continued*): Sun Country Child and Family Services Authority West Yellowhead Child and Family Services Authority Windsong Child and Family Services Authority	Children's Services
Credit Union Deposit Guarantee Corporation	Finance
Crop Reinsurance Fund of Alberta	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Energy	Energy
Department of Finance	Finance
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness
Department of Innovation and Science	Innovation and Science
Department of Learning	Learning
Department of Revenue	Revenue
Department of Seniors	Seniors
Department of Solicitor General	Solicitor General
Department of Sustainable Resource Development	Sustainable Resource Development
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance
Government House Foundation, The	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
iCORE Inc.	Innovation and Science
Lottery Fund	Gaming
Ministry of Aboriginal Affairs and Northern Development[56]	Aboriginal Affairs and Northern Development
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development[56]	Economic Development
Ministry of Energy	Energy
Ministry of Environment[56]	Environment
Ministry of Finance	Finance
Ministry of Executive Council[56]	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services[56]	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment[56]	Human Resources and Employment
Ministry of Infrastructure[56]	Infrastructure
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations[56]	International and Intergovernmental Relations

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[56] Ministry includes only the department so separate department financial statements are not necessary.

Ministry, Department, Fund or Agency	Ministry Annual Report
Ministry of Justice[%]	Justice
Ministry of Learning	Learning
Ministry of Municipal Affairs[%]	Municipal Affairs
Ministry of Revenue	Revenue
Ministry of Seniors	Seniors
Ministry of Solicitor General	Solicitor General
Ministry of Sustainable Resource Development	Sustainable Resource Development
Ministry of Transportation[%]	Transportation
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development
Persons with Developmental Disabilities Boards	
Calgary Region Community Board	Community Development
Central Region Community Board	Community Development
Edmonton Region Community Board	Community Development
Northeast Region Community Board	Community Development
Northwest Region Community Board	Community Development
South Region Community Board	Community Development
Provincial Board	Community Development
Provincial Judges and Masters in Chambers Reserve Fund	Finance
Supplementary Retirement Plan Reserve Fund	Finance
Victims of Crime Fund	Solicitor General
Wild Rose Foundation, The	Community Development

ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Fund or Agency	Ministry Annual Report
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Research	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan – Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan – Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Public Post Secondary Institutions	Learning
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance

[%] Ministry includes only the department so separate department financial statements are not necessary.

Fund or Agency	Ministry Annual Report
Regional Health Authorities	Health and Wellness
School Boards	Learning
Special Areas Trust Account, The	Municipal Affairs
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Provincial Judges and Masters in Chambers	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Workers' Compensation Board	Human Resources and Employment